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AG LENDING REVIEW — TABLES BEGIN ON PAGE 9

American Banker
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STATISTICAL
JOHN P. KEN
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TODAY

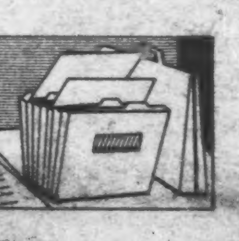
BLOOMINGDALE'S is accepting MasterCard and Visa, and bank card executives are celebrating... 2

ALTHOUGH THE BIG BANKS managing the Mexican debt rescheduling are two weeks behind in lining up a "critical mass" of support for the $6 billion package, industry sources expressed optimism that the refinancing would eventually be approved... 2

THE AMERICAN EXPRESS Travel Related Services Co. has introduced a new service for its platinum cardholders — VIP treatment at swanky hotels and restaurants... 2

THE INTERNATIONAL MONETARY Fund approved a $711 million standby loan to the People's Republic of China that is designed to shore up the nation's hard-pressed current account balance... 2

A FEDERAL JURY has found First United Fund, a New York money broker, liable to a Michigan credit union for negligence in two separate verdicts in a civil suit stemming from Penn Square Bank's failure... 3



REAL ESTATE MORTGAGE investment conduits can be expected to become the dominant vehicle in the secondary mortgage market, writes Thomas P. Vartanian and John F. Coverdale...4

U.S. COMPTROLLER of the Currency Robert L. Clarke said he was surprised at the lack of interstate deals for Texas banks... 7

BORG-WARNER CORP. said it plans to sell its $4 billion financial services subsidiary by year's end... 7

MASSACHUSETTS would open its doors to banks nationwide in 1988 under a bill proposed this week by Paul Bulman, the state banking commissioner... 8

THE FEDERAL RESERVE BOARD met behind closed doors this week to consider requests by Citicorp and a dozen other bank holding companies for permission to buy shares in Liberty Brokerage Inc., a new government securities broker... 19

J. RICHARD FREDERICKS, a banking analyst and partner with the brokerage firm of Montgomery Securities, has been a key player in First Interstate Bancorp's attempts to acquire BankAmerica Corp... 32

Executive Changes... 6

In the News... 3

Quote

It was truly a back-of-the-envelope type of idea to begin with. We believe that any idea that has any merit can be explained fairly simply. The concept of combining the two companies is simple.

J. Richard Fredericks, a banking analyst and partner with the brokerage firm of Montgomery Securities, who is advising First Interstate Bancorp in its bid to buy BankAmerica Corp. [Page 32]

Unquote

MCorp Dips Into Euromarket with FDIC-Backed CDs

Other Oil Patch Banks Probably Could Do Same Kind of Deal

By JOHN J. DUFFY
London Bureau

Raising Capital

LONDON — MCorp, the troubled Texas bank holding company, is breaking new ground by issuing the first certificates of deposit in the Euromarkets to carry the effective backing of the Federal Deposit Insurance Corp.

The novel financing method is believed to be one that other banks in the U.S. Southwest could use to bolster their base of foreign deposits. Such deposits have been eroding over the past year because of worries overseas about the impact of falling oil prices on the banks' loan portfolios.

The financing "brings in a larger universe of depositors," said Ken Shaver, assistant Treasurer at MCorp. "People who had redlined Texas, and with good reason, are interested in the deal because they see the backing is really the U.S. government."

Clarke Speaks on Texas Acquisitions
Page 7

MCorp, the largest bank holding company in Texas, has been hit hard by the slump in the oil patch. The company lost $91 million in the first nine months of 1986 and recently voted to suspend common stock dividend payments.

The complex CD financing, which is being arranged by Credit Suisse First Boston, has been structured to help the bank maintain its financing links overseas in the face of such adverse news, said observers here.

The deal consists of 60 FDIC-in-

MCorp: Page 27 ➔

Commercial Banks Shrank Loans To Farm Sector in First Quarter

Top 100 Banks in Agricultural Lending

Summary Data: March 31, 1986 Versus March 31, 1985

(Dollar Amounts in Millions)

	3/31/86	3/31/85	% Chg.
Total Agricultural Loans	$9,375	$10,200	- 8.09
Agricultural Production Loans	7,781	8,864	-12.22
Gross Interest Income from Ag. Production Loans	191	251	-23.75
Chargeoffs on Agricultural Production Loans	71	47	+51.15
Bad Agricultural Loans	849	564	+50.32

Bad loans: At least 90 days past due, nonaccruals, and renegotiations.

By RICHARD RINGER
Midwest Bureau

CHICAGO — Flush with money to lend, the commercial banks that provide a large amount of the total financing to agriculture face a dilemma.

In the first quarter of 1986 their agricultural loan total fell by more than $1 billion from the same period a year earlier, according to data compiled by the *American Banker.*

The continued heavy cutbacks in agricultural lending can do little to help the financial condition of many of the more than 4,800 commercial banks that finance agriculture. During the first quarter of the year, their bad farm loans and chargeoffs soared while net income from agricultural loans plummeted, according to the survey results. The first quarter of each year is crucial for lenders and farmers, who typically seek the lending commitments for another year of business before spring planting.

Despite tightening the clamp on agricultural lending, another bumper crop is being harvested this fall. This comes on top of record crop harvests the previous three years — years when agricultural banks also slashed their total amount of farm lending.

The implications are grim. Another huge harvest means a continuation of depressed commodity prices. Farmers' income would be reduced, making it more difficult for them to make full repayment of their debts.

"We are forecasting low grain prices in 1987, and lower in 1988 and a slight rise in 1989, '90, and '91," James Cole, a senior commodity analyst with the U.S. Department of Agriculture recently told a group of bankers in Nebraska, one of the states hit hardest by the most severe agricultural depression in 50 years. Some farm banks can't wait for even a modest upturn in commodity prices. Already teetering on the edge of insolvency, some of these banks will fail before commodity prices rise, adding to an already long list of closed farm banks.

Hawkeye Misses Debt Deadline
Page 8

The Federal Deposit Insurance Corp. had 1,156 banks on its problem bank list when the new borrowing season began in March. More than 460, about 40%, were agricultural banks. The list includes banks that have varying degrees of financial and management problems that warrant closer supervision.

So far this year, 55 of the 123 banks that have failed were farm banks, or an average of more than one failed farm bank each week. Some of the banks on

Agriculture: Page 11 ➔

"I've heard that for credit card program flexibility, there's only one company to call. It's something like Franklindun Financial."

Franklinton Financial Services is the company that has quietly become one of the major forces of the credit card processing industry in only five years. The reasons? Credit card program expertise; competitive pricing; program flexibility options; and most of all, success that can be seen in our customers' profits.

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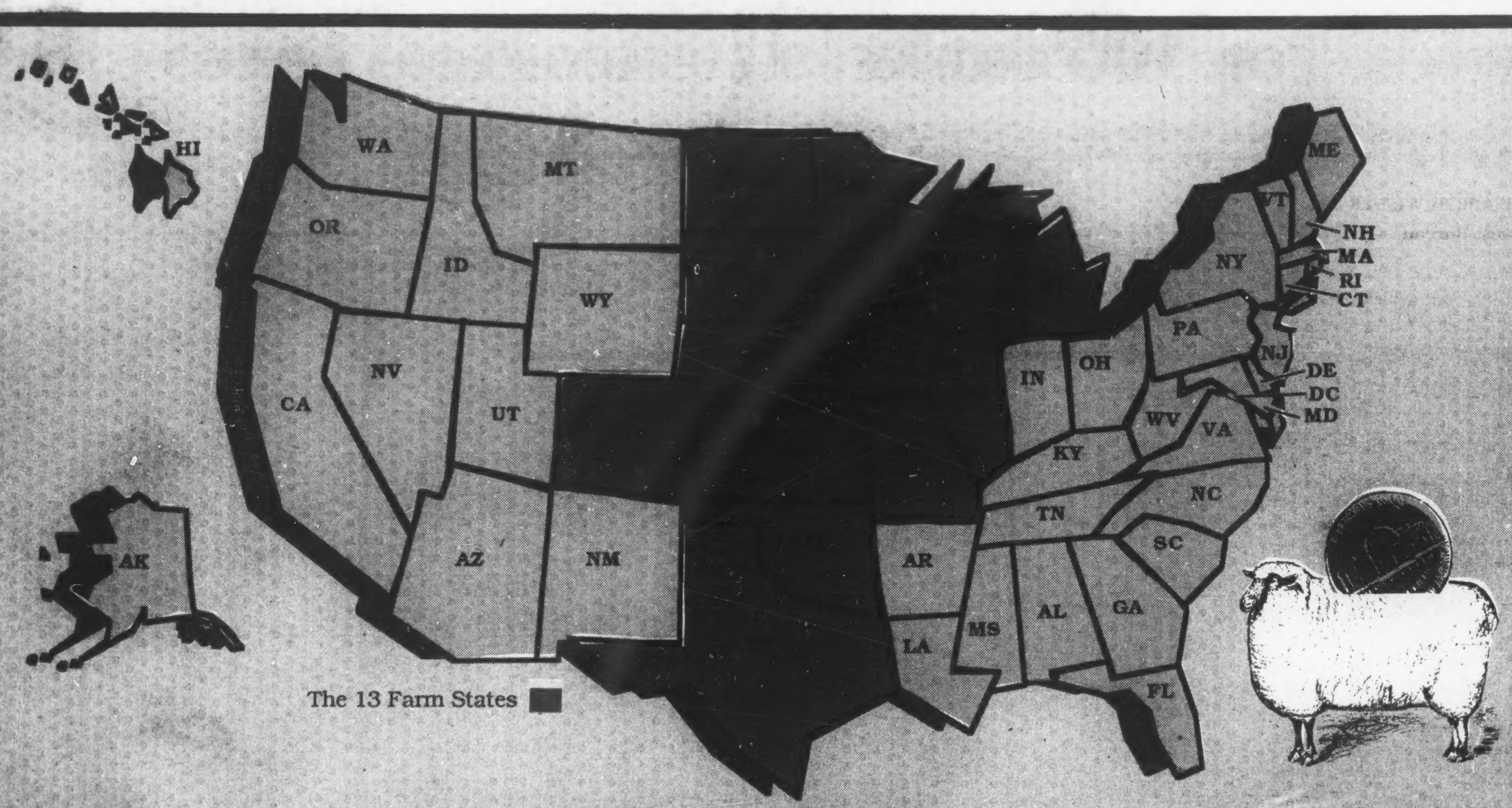
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The 13 Farm States ■

American Banker

Annual Survey of the Top Banks in Agricultural Lending

The Holders of the Nation's Farm Debt

As of December 31, 1985

Compiled by American Banker Copyright 1986

	Real Estate Debt			Non-Real Estate Debt			Total Farm Debt		
	Total ($ Bil.)	% of Total	% Chg. From 1984	Total ($ Bil.)	% of Total	% Chg. From 1984	Total ($ Bil.)	% of Total	% Chg. From 1984
Farm Credit System (a)	44.6	(42.2%)	− 9	14.6	(14.7%)	−22	59.2	(28.8%)	−13
Banks	11.4	(10.8%)	+12	35.5	(35.6%)	−10	46.9	(22.9%)	− 6
Individuals and others	27.2	(25.8%)	− 9	15.4	(15.5%)	−15	42.6	(20.8%)	−11
Farmers Home Administration	10.6	(10.0%)	+ 4	16.8	(16.9%)	+ 7	27.3	(13.3%)	+ 6
Commodity Credit Corp.	0	(0.0%)	0	17.3	(17.3%)	+99	17.3	(8.4%)	+99
Life Insurance Companies	11.8	(11.2%)	− 5	0	(0.0%)	0	11.8	(5.8%)	− 5
TOTAL	105.6	(100%)	− 6	99.6	(100%)	− 1	205.2	(100%)	− 3

(a)— The Farm Credit System consists of Federal Land Banks, Federal Intermediate Credit Banks, and Production credit associations.
Source of Data: Federal Reserve Bulletin, page 448, July 1986.

Top 100 Banks in Agricultural Loans

Based on Total Domestic Agricultural Loans Outstanding March 31, 1986, Compared with March 31, 1985

From the Universe of All Insured Commercial Banks

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

		Total Agricultural Loans			Loans to Finance Agricultural Production			Total Loans		
		3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.
1	Bank of America NT&SA, San Francisco	1,406,000	1,915,000	-26.58	1,051,000	1,491,000	-29.51	46,695,000	46,430,000	0.57
2	Wells Fargo Bank NA, San Francisco	650,235	677,629	-4.04	525,680	584,791	-10.11	18,184,844	16,891,095	7.66
3	Security Pacific National Bank, Los Angeles	595,448	631,862	-5.76	581,556	615,159	-5.46	24,132,726	23,466,991	2.84
4	Valley National Bank of Arizona, Phoenix	347,149	299,226	16.02	303,362	292,013	3.89	6,512,450	5,736,732	13.52
5	Rainier National Bank, Seattle	292,037	250,501	16.58	277,993	237,544	17.03	4,653,742	4,384,352	6.14
6	Crocker National Bank, San Francisco	235,638	377,613	-37.60	231,728	373,523	-37.96	11,665,825	11,826,865	-1.36
7	Idaho First National Bank, Boise	212,000	218,828	-3.12	208,463	215,249	-3.15	1,494,440	1,656,662	-9.79
8	Seattle-First National Bank	188,577	159,546	18.20	169,313	133,042	27.26	7,262,488	6,425,655	13.02
9	United States National Bank, Portland	172,187	142,449	20.88	162,831	134,238	21.30	4,697,858	4,424,122	6.19
10	Norwest Bank South Dakota NA, Sioux Falls	171,351	234,271	-26.86	153,626	225,334	-31.32	857,800	927,020	-7.47
11	First Bank South Dakota NA, Sioux Falls	166,142	242,507	-31.49	162,258	236,944	-31.52	808,199	931,422	-13.23
12	First Interstate Bank of California, Los Angeles	158,030	202,177	-21.84	156,302	200,026	-21.86	12,090,389	11,276,859	7.21
13	Chemical Bank, New York	143,252	188,092	-23.84	142,225	187,062	-23.97	22,873,166	20,613,048	10.96
14	First National Bank, Amarillo, Tex.	142,886	170,832	-16.36	133,217	160,213	-16.85	619,887	670,204	-7.51
15	Lloyds Bank California, Los Angeles	138,073	86,787	59.09	135,175	82,052	64.74	1,986,116	1,822,046	9.00
16	Peoples National Bank of Washington, Seattle	132,697	96,708	37.21	125,720	91,227	37.81	1,577,626	1,454,676	8.45
17	First National Bank & Trust Co., Oklahoma City	126,597	172,777	-26.73	126,247	172,098	-26.64	1,013,186	1,451,961	-30.22
18	Citizens Fidelity Bank & Trust Co., Louisville, Ky.	123,810	82,443	50.18	123,810	82,443	50.18	2,322,926	2,103,877	10.41
19	United Bank of Denver NA	122,318	29,460	315.20	27,890	17,523	59.16	1,385,152	1,434,061	-3.41
20	First Interstate Bank Arizona NA, Phoenix	120,128	123,065	-2.39	120,128	123,065	-2.39	4,290,697	3,619,704	18.54
21	Norwest Bank Nebraska NA, Omaha	96,646	151,099	-36.04	90,599	145,870	-37.89	838,631	930,353	-9.86
22	InterFirst Bank Dallas NA	88,685	35,130	152.45	45,126	24,944	80.91	5,485,164	6,147,913	-10.78
23	Texas American Bank Fort Worth NA	88,376	79,796	10.75	82,801	77,411	6.96	2,066,302	1,897,300	8.91
24	First Security Bank Idaho NA, Boise	87,959	91,280	-3.64	80,539	88,061	-8.54	1,255,285	1,173,836	6.94
25	Old National Bank of Washington, Spokane	82,569	83,612	-1.25	50,230	42,033	19.50	1,188,242	1,002,451	18.53
26	FirsTier Bank NA, Omaha, Neb.	81,769	105,665	-22.61	78,942	103,981	-24.08	679,678	675,360	0.64
27	Wachovia Bank & Trust Co., Winston-Salem, N.C.	81,320	76,855	5.81	38,907	54,054	-28.02	5,757,221	4,889,604	17.74
28	First Interstate Bank-Oregon, Portland	81,199	81,861	-0.81	81,099	81,403	-0.37	3,297,948	3,236,183	1.91
29	Citibank NA, New York	76,000	158,000	-51.90	76,000	158,000	-51.90	32,153,000	27,819,000	15.58
30	Branch Banking & Trust Co., Wilson, N.C.	73,730	78,006	-5.48	31,031	36,618	-15.26	1,795,900	1,598,604	12.34
31	NCNB National Bank of North Carolina, Charlotte	73,109	67,339	8.57	55,623	60,753	-8.44	7,524,180	5,702,290	31.95
32	Valley Bank Idaho Falls, Idaho	72,343	65,561	10.34	70,731	64,604	9.48	178,352	158,830	12.29
33	Dominion Bank Shenandoah Valley NA, Bridgewater, Va.	71,283	61,711	15.51	48,224	43,639	10.51	367,882	322,796	13.97
34	American Bank & Trust Co., Reading, Pa.	69,548	71,568	-2.82	46,159	44,730	3.19	2,368,675	2,008,821	17.91
35	NCNB National Bank of Florida, Tampa	61,390	62,587	-1.91	19,170	18,644	2.82	3,524,380	2,980,371	18.25
36	First Security Bank of Utah NA, Ogden	57,433	49,916	15.06	45,027	38,316	17.51	1,870,308	1,636,845	14.26
37	Colorado National Bank of Denver	57,194	64,089	-10.76	39,119	48,699	-19.67	718,529	899,987	-20.16
38	First National Bank of Holdrege, Neb.	56,824	54,789	3.71	52,336	52,263	0.14	75,744	74,757	1.32
39	First Victoria National Bank, Tex.	54,763	64,760	-15.44	53,006	59,714	-11.23	209,308	233,449	-10.34
40	Hamilton Bank, Lancaster, Pa.	53,721	60,135	-10.67	18,159	26,520	-31.53	1,876,900	1,547,366	21.30
41	Monticello State Bank, Iowa	51,459	50,479	1.94	47,946	48,748	-1.65	67,118	66,800	0.48
42	Deposit Guaranty National Bank, Jackson, Miss.	50,241	44,125	13.86	20,290	16,413	23.62	1,685,890	1,489,230	13.21
43	Amarillo National Bank, Tex.	50,028	40,275	24.22	48,905	39,577	23.57	431,770	410,961	5.06
44	First Union National Bank, Charlotte, N.C.	49,873	59,330	-15.94	35,562	42,801	-16.91	6,760,467	5,984,864	12.96
45	Sun Bank of Ocala, Fla.	49,457	44,187	11.93	32,275	29,330	10.04	194,260	184,262	5.43
46	First National Bank of Great Falls, Mont.	48,326	17,193	181.08	44,971	11,928	277.02	174,531	135,861	28.46
47	Bankwest NA, Pierre, S.D.	48,309	46,196	4.57	48,215	46,077	4.64	89,604	87,793	2.06
48	Sovran Bank NA, Richmond	48,062	54,190	-11.31	32,830	33,849	-3.01	6,928,255	5,698,659	21.58
49	Norstar Bank of Upstate NY, Albany	46,690	52,336	-10.79	36,797	42,324	-13.06	1,336,038	1,157,196	15.45
50	Guardian State Bank & Trust Co., Alliance, Neb.	45,634	39,653	15.08	43,203	38,049	13.55	62,527	55,367	12.93
51	Morgan Guaranty Trust Co. of New York	45,492	45,004	1.08	45,492	45,004	1.08	12,660,025	11,012,731	14.96
52	First Security National Bank & Trust Co., Lexington, Ky.	44,941	116,119	-61.30	1,727	111,643	-98.45	711,178	540,553	31.56
53	Bank of Stockton, Calif.	44,749	56,299	-20.52	26,746	43,778	-38.91	317,741	310,821	2.23
54	First Interstate Bank Washington NA, Spokane	44,503	39,745	11.97	42,761	38,754	10.34	1,989,294	1,882,631	5.67
55	Adams Bank & Trust Co., Ogallala, Neb.	42,980	43,016	-0.08	39,000	41,633	-6.32	76,432	77,102	-0.87
56	Continental Illinois National Bank & Trust Co, Chicago	42,412	60,113	-29.45	40,612	60,113	-32.44	12,838,475	14,970,703	-14.24
57	Key Bank NA, Albany, N.Y.	41,431	32,244	28.49	38,632	30,805	25.41	1,164,815	988,681	17.82
58	Citizens & Southern National Bank, Atlanta	41,304	37,595	9.87	14,632	13,776	6.21	6,076,399	5,149,250	18.01
59	Grenada Bank, Miss.	41,265	44,129	-6.49	33,833	36,629	-7.63	481,486	423,894	13.59
60	RepublicBank Dallas NA	40,956	36,516	12.16	32,882	36,516	-9.95	9,314,205	8,340,210	11.68
61	Bank of Hawaii, Honolulu	39,664	38,017	4.33	20,445	21,944	-6.83	2,056,916	1,829,212	12.45
62	Lebanon Valley National Bank, Lebanon, Pa.	39,584	31,800	24.48	36,562	29,131	25.51	225,515	183,888	22.64
63	First Interstate Bank Idaho NA, Boise	39,442	46,774	-15.68	39,003	46,298	-15.76	542,368	547,441	-0.93
64	MBank Dallas NA	39,441	28,062	40.55	17,030	16,053	6.09	5,371,753	4,753,044	13.02
65	Marine Midland Bank NA, Buffalo, N.Y.	38,874	41,147	-5.52	38,318	39,202	-2.25	11,316,749	9,930,985	13.95
66	FirsTier Bank NA, Lincoln, Neb.	38,728	60,267	-35.74	31,498	54,619	-42.33	477,663	478,920	-0.26
67	Bank of California NA, San Francisco	38,153	43,505	-12.30	37,105	42,167	-12.00	1,960,384	1,754,507	11.73
68	LaMesa National Bank, Tex.	37,957	31,080	22.13	34,097	30,302	12.52	50,839	46,463	9.42
69	First National Bank & Trust Co., Columbus, Neb.	37,053	41,235	-10.14	28,175	33,558	-16.04	88,437	96,013	-7.89
70	First National Bank of Hereford, Tex.	36,930	31,373	17.71	35,413	31,021	14.16	62,234	54,830	13.50
71	Southeast Bank NA, Miami	36,908	27,005	36.67	29,015	19,572	48.25	6,397,151	5,857,226	9.22
72	Newcentury Bank-Frankenmuth, Mich.	35,837	47,743	-24.94	32,059	43,476	-26.26	178,078	23,671	652.30
73	Key Bank of Northern New York, Watertown	34,957	31,157	12.20	32,259	28,399	13.59	324,386	290,772	11.56
74	First National Bank of Tulia, Tex.	34,434	28,378	21.34	34,424	28,262	21.80	51,672	46,806	10.40
75	United Carolina Bank, Whiteville, N.C.	34,104	35,587	-4.17	13,028	16,295	-20.05	1,038,007	922,066	12.57
76	Citizens Bank & Trust Co., Belzoni, Miss.	33,506	36,364	-7.86	14,218	30,699	-53.69	73,500	78,155	-5.96
77	First National Bank of Atlanta	33,216	32,305	2.82	16,046	22,651	-29.16	4,212,683	3,851,223	9.39
78	Idaho Bank & Trust Co., Pocatello	33,046	26,589	24.28	32,994	26,316	25.38	303,262	285,493	6.22
79	First National Bank of York, Neb.	32,797	36,441	-10.00	27,305	33,049	-17.38	63,375	67,300	-5.83
80	McAllen State Bank, Tex.	32,608	24,809	31.44	16,414	13,109	25.21	512,616	482,554	6.23
81	Citizens First National Bank of Princeton, Ill.	32,604	36,595	-10.91	25,722	32,598	-21.09	98,346	104,014	-5.45
82	Manufacturers Hanover Trust Co., New York	32,587	32,249	1.05	32,587	32,249	1.05	24,599,330	23,287,232	5.63
83	Farmers National Bank, Webster City, Iowa	32,571	34,880	-6.62	26,719	31,939	-16.34	51,519	51,643	-0.24
84	First Alabama Bank, Montgomery	32,249	33,810	-4.62	21,252	24,854	-14.49	1,831,098	1,619,460	13.07
85	Comerica Bank - Detroit	32,100	20,710	55.00	28,332	17,109	65.60	4,578,608	4,262,263	7.42
86	Commonwealth National Bank, Harrisburg, Pa.	31,925	44,177	-27.73	15,508	22,409	-30.80	809,912	763,457	6.08
87	Farmers & Merchants State Bank, Archbold, Ohio	31,919	29,854	6.92	26,113	26,398	-1.08	97,048	88,029	10.25
88	First Bank & Trust Co. of Idaho, Malad City	31,766	33,954	-6.44	29,546	28,132	5.03	44,691	52,536	-14.93
89	Sunwest Bank of Clovis NA, N.M.	31,339	28,120	11.45	30,455	27,038	12.64	84,209	69,354	21.42
90	United Bank of Arizona, Phoenix	31,052	20,897	48.60	17,344	11,359	52.69	1,460,644	1,141,100	28.00
91	Gering National Bank & Trust Co., Neb.	30,594	40,101	-23.71	29,704	39,118	-24.07	56,331	68,933	-18.28
92	Trustmark National Bank, Jackson, Miss.	30,488	34,982	-12.85	18,337	20,388	-10.06	1,246,253	1,027,051	21.34
93	First National Bank of Shreveport, La.	30,411	34,483	-11.81	21,337	18,873	13.06	637,446	565,476	12.73
94	Ida County State Bank, Ida Grove, Iowa	30,180	34,918	-13.57	23,520	33,572	-29.94	42,567	49,154	-13.40
95	First National Bank at Lubbock, Tex.	29,965	39,044	-23.25	29,181	37,871	-22.95	361,213	329,395	9.66
96	First Tennessee Bank NA Memphis	29,778	34,634	-14.02	12,374	16,540	-25.19	2,907,189	2,687,821	8.16
97	First Interstate Bank Billings, Mont.	29,744	33,456	-11.10	24,247	33,378	-27.36	205,051	210,795	-2.72
98	Twin Falls Bank & Trust Co., Idaho	29,357	29,247	0.38	28,242	28,018	0.80	84,605	82,282	2.82
99	Huntington National Bank, Columbus, Ohio	29,230	32,805	-10.90	27,526	26,065	5.61	4,305,966	3,707,953	16.13
100	MBank Corpus Christi NA, Tex.	29,172	27,486	6.13	18,658	17,761	5.05	439,746	419,104	4.93
	TOTALS FOR TOP 100	9,374,798	10,200,316	-8.09	7,780,775	8,864,342	-12.22	390,966,016	363,831,658	7.46

Data Source: The federal regulatory report of condition for all insured commercial banks. These data were provided to American Banker by **ADP's Data Services Division, New York**. Please note that ADP adjusts 1985 data for mergers ocurring in 1986. **Total Agricultural Loans** are the sum of loans secured by farmland (Schedule RC-C, item 1.b., Column B—Domestic Offices) plus loans to finance agricultural production and other loans to farmers (Schedule RC-C, item 3, Column A—Consolidated Bank). **Loans secured by farmland** include loans secured by farmland and improvements thereon, as evidenced by mortgages or other liens. **Loans to finance agricultural production and other loans to farmers** are loans for the purpose of financing agricultural production. Included are both secured (by other than real estate) and unsecured loans made to farm and ranch owners and operators (including tenants) or to nonfarmers. **Total Loans** are total loans and leases net of unearned income that are booked in a bank's domestic offices only. (Schedule RC-C, item 12, Column B).

Lending to Agriculture Declines, but Losses Keep Mounting

➽ Continued from Page 1

the *American Banker* list have failed since publishing their first-quarter results. The largest to fail was the First National Bank and Trust Company of Oklahoma City, the country's 17th largest commercial bank in total agricultural lending at the end of March. Like many other commercial bank lenders to agriculture, First National, which was closed in July, had reduced its total farm loans at the end of the first quarter to $126.5 million, a 26.73% decline from $172.7 million during the comparable period in 1985.

At the same time, First National's net interest income from farm loans plunged to $2.7 million, a 50.7% decline from $5.5 million at the end of the first quarter of 1985. And First National had a net chargeoff on agricultural loans of slightly more than $1 million, a 1,703% reversal from $65,000 in recoveries on farm loan writeoffs in the first quarter last year.

The problem agricultural loans, coupled with losses on energy and real estate loans, led to the demise of the $1.6 billion-asset First National, making it the second largest commercial bank failure in U.S. history.

Bank of America Cuts Loans

Bank of America, the largest commercial bank in terms of outstanding agricultural loans, reduced its agricultural loan portfolio by more than 25% during the first quarter to $1.4 billion from $1.9 billion in the same period last year. But farm loan chargeoffs soared 114% to $15 million in the quarter from $7 million in the first quarter of 1985. And net interest income on agricultural loans dropped 40% in the quarter to $24 million from $40 million the same time last year.

Analysts say Bank of America's hefty but deteriorating agricultural loan portfolio has contributed to the company's poor earnings in recent years, a condition making the bank vulnerable to the takeover effort of First Interstate Bancorp.

Bank of America and the other banks that comprised the top 100 farm banks in terms of loans reduced their farm lending to $9.3 billion in the first quarter, an 8.09% decline from $10.2 billion in the comparable period in 1985, according to the *American Banker*. Among those banks with 25% or more of their loans related to agriculture — those that are commonly described as agricultural banks — total farm lending declined to $787.9 million, a 3.03% decline from $812.5 million in the first quarter last year.

Of the top 100 commercial bank lenders to agriculture, 54 committed less to financing agriculture in the first quarter of 1986 compared with last year's first quarter. Among banks with a loan portfolio consisting of 25% or more in agricultural loans, 57 of the top 100 had lower farm-related loans compared with the same time last year.

Even steeper declines were posted by agricultural banks in the category of loans to finance production, which is a subset of the aggregate agricultural loan category. The top 100 banks with the highest dollar volume in agriculture loans reduced loans to finance agriculture to $7.7 billion in the first quarter, a 12.22% decline from $8.8 billion at the end of last year's first quarter.

Of the top 100 banks in total farm loan volume, 55 reduced their level of agricultural production loans in this year's first quarter compared with the same time a year ago.

And among banks with 25% or more of their loan portfolio tied to agriculture, the decline in loans to finance agricultural production was 6.25% to $718 million from $766 million in the first three months of 1985. And 67 of the top 100 banks in this category reduced their lending to finance agricultural production.

The decline in total dollars for agricultural lending during this year's first quarter continued the trend of reduced farm financing by commercial banks that began in 1983. Ironically, the continuing cutbacks in farm lending come at a time when many of these farm banks are flush with cash and desperately seeking to make loans.

Loan-to-Deposit Ratios Down

A survey of 530 agricultural banks in the heavily agricultural Seventh Federal Reserve District — an area that includes Iowa, the southern two-thirds of Wisconsin, the northern two-thirds of Illinois and Indiana, and all of lower Michigan — early this year showed that three-fourths of the survey respondents indicated that the ratio of loans to deposits at their banks was below the preferred level. Likewise, earlier this year in another agricultural region, the Tenth Federal Reserve District — Nebraska, Kansas, Oklahoma, western Missouri, Colorado, Wyoming, and northern New Mexico — a survey by the Federal Reserve Bank of Kansas City indicated that the average loan-to-deposit ratio for agricultural banks dropped to 52.5%, the lowest level in the 10 years that the survey has been conducted.

There are numerous reasons for the decline in agricultural lending, according to bankers, researchers, and analysts. For starters, there are fewer farmers in business. The farm crisis already has weeded out the least profitable, most highly leveraged, and most marginal farm operators. Some estimates are that two of every 10 farmers last year either voluntarily quit farming or were forced out of business.

Some farmers, particularly those who are more financially stable, also paid off their debts, helping to reduce the amount of farm loans outstanding. Other farmers also used borrowings from other sources, including the Commodity Credit Corp. and other federal agencies, to repay debts at commercial banks.

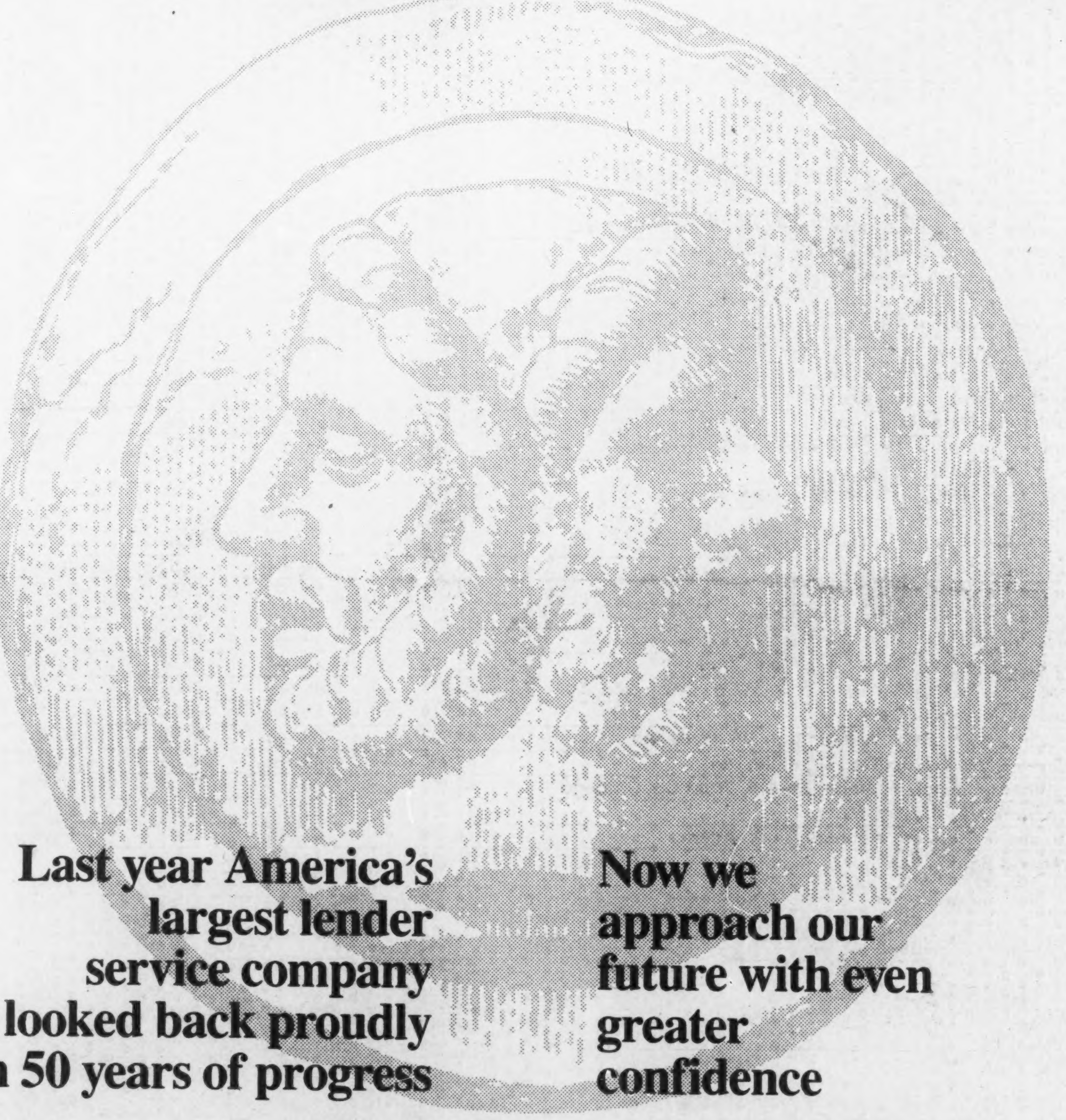
Farmers also have undergone what Neil Harl, an agricultural economist at Iowa State University, terms a "fundamental change in the attitude toward risk."

Mr. Harl said today's farmer is risk adverse when it comes to borrowing. "So many have been burned or have come closer to the heat" that many farmers are reluctant to take on the risk of borrowing, he said.

He predicted that it will take at least two generations of farmers to return to the level of risk-taking that farmers exhibited only a few years ago.

Bankers, too, are increasingly cautious in lending to those farmers who remain in business. The bankers prefer to finance only those farmers who exhibit an ability to turn a profit, as opposed to years earlier when the value of a farmer's assets was the criterion for

Agriculture: Page 15 ➽



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Top 100 Banks in Agricultural Loans

Income from Farm Loans, Total Interest Income, Chargeoffs on Farm Loans, and Chargeoffs on All Loans Based on Loans Outstanding March 31, 1986, Compared with March 31, 1985

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

		Interest Income from Farm Loans			Total Interest Income			Chargeoffs on Farm Loans			Chargeoffs on All Loans		
		3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.
1	Bank of America NT&SA, San Francisco	24,000	40,000	-40.00	2,434,000	2,611,000	-6.78	15,000	7,000	114.29	244,000	196,000	24.49
2	Wells Fargo Bank NA, San Francisco	13,333	18,217	-26.81	587,136	621,448	-5.52	4,569	2,091	118.51	49,379	48,418	1.98
3	Security Pacific National Bank, Los Angeles	12,768	15,392	-17.05	956,822	945,632	1.18	9,483	4,991	90.00	76,953	70,123	9.74
4	Valley National Bank of Arizona, Phoenix	7,393	8,173	-9.54	218,278	214,015	1.99	79	1,589	-95.03	14,782	6,849	115.83
5	Rainier National Bank, Seattle	6,948	6,423	8.17	163,024	159,360	2.30	222	-482	146.06	6,528	5,812	12.32
6	Crocker National Bank, San Francisco	4,674	9,365	-50.09	448,489	532,453	-15.77	1,790	11,535	-84.48	24,073	26,295	-8.45
7	Idaho First National Bank, Boise	5,826	6,712	-13.20	66,060	67,931	-2.75	3,379	97	3,383.51	7,596	6,124	24.04
8	Seattle-First National Bank	4,102	3,725	10.12	230,036	215,794	6.60	876	965	-9.22	10,219	23,215	-55.98
9	United States National Bank, Portland	4,235	4,067	4.13	162,749	153,215	6.22	N.A.	N.A.	....	9,905	4,569	116.79
10	Norwest Bank South Dakota NA, Sioux Falls	4,584	6,819	-32.78	35,148	37,464	-6.18	2,292	2,328	-1.55	3,793	3,527	7.54
11	First Bank South Dakota NA, Sioux Falls	3,789	7,497	-49.46	31,494	30,340	3.80	9,436	2,514	275.34	11,344	4,685	142.13
12	First Interstate Bank of California, Los Angeles	3,231	5,994	-46.10	461,020	480,785	-4.11	N.A.	N.A.	....	38,835	23,975	61.98
13	Chemical Bank, New York	3,604	3,940	-8.53	1,145,844	1,194,943	-4.11	N.A.	N.A.	....	59,895	29,727	101.48
14	First National Bank, Amarillo, Tex.	3,343	5,024	-33.46	18,430	22,932	-19.63	44	N.A.	....	2	86	-97.67
15	Lloyds Bank California, Los Angeles	1,098	2,198	-50.05	68,339	65,412	4.47	170	N.A.	....	2,990	5,003	-40.24
16	Peoples National Bank of Washington, Seattle	3,258	2,451	32.93	49,717	50,557	-1.66	961	177	442.94	7,556	1,016	643.70
17	First National Bank & Trust Co., Oklahoma City	2,720	5,524	-50.76	33,759	52,484	-35.68	1,042	-65	1,603.08	14,024	9,012	55.61
18	Citizens Fidelity Bank & Trust Co., Louisville, Ky.	3,158	2,080	51.83	77,616	73,606	5.45	N.A.	N.A.	....	2,138	1,119	91.06
19	United Bank of Denver NA	632	495	27.68	52,299	54,897	-4.73	N.A.	-2	....	4,516	1,708	164.40
20	First Interstate Bank Arizona NA, Phoenix	N.A.	N.A.	....	146,845	137,899	6.49	N.A.	N.A.	....	7,308	2,445	198.90
21	Norwest Bank Nebraska NA, Omaha	2,027	4,326	-53.14	30,511	36,521	-16.46	2,389	1,466	62.96	4,557	2,903	56.98
22	InterFirst Bank Dallas NA	1,102	450	144.89	209,540	228,647	-8.36	N.A.	N.A.	....	17,195	27,192	-36.76
23	Texas American Bank Fort Worth NA	1,767	1,914	-7.68	61,795	65,976	-6.34	2,200	-15	14,766.67	4,989	6,071	-17.82
24	First Security Bank Idaho NA, Boise	2,039	2,685	-24.06	42,110	43,695	-3.63	1,874	265	607.17	5,618	1,181	375.70
25	Old National Bank of Washington, Spokane	1,525	1,290	18.22	36,323	38,995	-6.85	882	366	140.98	2,380	1,491	59.62
26	FirsTier Bank NA, Omaha, Neb.	2,195	2,884	-23.89	24,400	23,169	5.31	1,590	-21	7,671.43	2,119	825	156.85
27	Wachovia Bank & Trust Co., Winston-Salem, N.C.	997	1,367	-27.07	200,374	191,723	4.51	355	N.A.	....	1,754	763	129.88
28	First Interstate Bank Oregon, Portland	2,430	2,556	-4.93	112,186	114,799	-2.28	-180	258	-169.77	3,804	1,948	95.28
29	Citibank NA, New York	2,000	4,000	-50.00	3,756,000	3,522,000	6.64	N.A.	N.A.	....	111,000	88,000	26.14
30	Branch Banking & Trust Co., Wilson, N.C.	859	1,127	-23.78	66,376	62,975	5.40	29	125	-76.80	1,922	806	138.46
31	NCNB National Bank of North Carolina, Charlotte	1,570	2,285	-31.29	284,586	241,364	17.91	153	60	155.00	9,564	5,919	61.58
32	Valley Bank Idaho Falls, Idaho	2,006	2,099	-4.43	6,386	6,538	-2.32	167	128	30.47	706	164	330.49
33	Dominion Bank Shenandoah Valley NA, Bridgewater, Va.	2,102	1,250	68.16	11,471	11,129	3.07	38	N.A.	....	254	158	60.76
34	American Bank & Trust Co., Reading, Pa.	1,357	4,455	-69.54	87,865	77,566	13.28	82	16	412.50	1,176	638	84.33
35	NCNB National Bank of Florida, Tampa	438	413	6.05	119,807	118,165	1.39	N.A.	-4	....	5,449	1,510	260.86
36	First Security Bank of Utah NA, Ogden	1,071	1,019	5.10	60,582	61,394	-1.32	N.A.	N.A.	....	9,821	1,415	594.06
37	Colorado National Bank of Denver	705	1,354	-47.93	29,604	32,375	-8.56	2,603	447	482.33	12,611	9,331	35.15
38	First National Bank of Holdrege, Neb.	1,419	1,724	-17.69	3,142	3,246	-3.20	57	38	50.00	196	58	237.93
39	First Victoria National Bank, Tex.	1,080	1,769	-38.95	8,803	9,469	-7.03	108	N.A.	....	71	46	54.35
40	Hamilton Bank, Lancaster, Pa.	533	972	-45.16	58,607	61,654	-4.94	-113	1,019	-111.09	709	1,345	-47.29
41	Monticello State Bank, Iowa	1,402	1,600	-12.38	4,080	3,961	3.00	41	N.A.	....	39	-2	2,050.00
42	Deposit Guaranty National Bank, Jackson, Miss.	563	528	6.63	65,720	62,756	4.72	-25	234	-110.68	1,901	2,333	-18.52
43	Amarillo National Bank, Tex.	1,496	1,097	36.37	12,309	13,006	-5.36	319	460	-30.65	2,558	639	300.31
44	First Union National Bank, Charlotte, N.C.	850	1,022	-16.83	292,610	270,669	8.11	23	23	0.00	2,039	-90	2,365.56
45	Sun Bank of Ocala, Fla.	1,216	981	23.96	7,279	7,028	3.57	652	109	498.17	773	149	418.79
46	First National Bank of Great Falls, Mont.	281	354	-20,62	5,977	5,761	3.75	N.A.	-5	....	29	3	866.67
47	Bankwest NA, Pierre, S.D.	1,563	1,646	-5.04	3,800	3,943	-3.63	-97	3	-3,433.33	-5	1	-600.00
48	Sovran Bank NA, Richmond	619	1,218	-49.18	227,045	202,833	11.94	35	N.A.	....	3,888	3,270	18.90
49	Norstar Bank of Upstate NY, Albany	957	1,291	-25.87	56,068	53,720	4.37	N.A.	N.A.	....	427	497	-14.08
50	Guardian State Bank & Trust Co., Alliance, Neb.	1,142	1,199	-4.75	2,173	2,366	-8.16	17	N.A.	....	15	-1	1,600.00
51	Morgan Guaranty Trust Co. of New York	506	983	-48.52	1,393,038	1,394,225	-0.09	N.A.	N.A.	....	48,885	12,646	286.56
52	First Security National Bank & Trust Co., Lexington, Ky.	46	3,097	-98.51	24,614	23,330	5.50	N.A.	32	....	471	27	1,644.44
53	Bank of Stockton, Calif.	950	1,478	-35.72	11,674	12,043	-3.06	1,225	2,060	-40.53	1,688	2,697	-37.41
54	First Interstate Bank Washington NA, Spokane	1,070	1,030	3.88	70,269	73,314	-4.15	N.A.	N.A.	....	2,207	846	160.87
55	Adams Bank & Trust Co., Ogallala, Neb.	1,698	508	234.25	3,060	3,376	-9.36	38	-1	3,900.00	61	46	32.61
56	Continental Illinois National Bank & Trust Co, Chicago	1,305	2,031	-35.75	613,862	698,798	-12.15	N.A.	-111	....	22,663	18,537	22.26
57	Key Bank NA, Albany, N.Y.	1,100	938	17.27	40,706	37,187	9.46	N.A.	19	....	3,964	560	607.86
58	Citizens & Southern National Bank, Atlanta	414	344	20.35	207,465	187,330	10.75	4	29	-86.21	3,908	876	346.12
59	Grenada Bank, Miss.	971	1,465	-33.72	23,467	22,909	2.44	390	N.A.	....	1,784	174	925.29
60	RepublicBank Dallas NA	485	667	-27.29	308,350	318,582	-3.21	59	936	-93.70	6,990	8,646	-19.15
61	Bank of Hawaii, Honolulu	516	647	-20.25	94,987	94,425	0.60	36	21	71.43	664	2,181	-69.56
62	Lebanon Valley National Bank, Lebanon, Pa.	907	726	24.93	7,449	6,973	6.83	N.A.	N.A.	....	56	9	522.22
63	First Interstate Bank Idaho NA, Boise	997	1,127	-11.54	19,447	20,530	-5.28	572	596	-4.03	1,562	1,034	51.06
64	MBank Dallas NA	245	163	50.31	154,712	153,002	1.12	28	1,000	-97.20	25,996	12,665	105.26
65	Marine Midland Bank NA, Buffalo, N.Y.	914	1,088	-15.99	541,321	520,069	4.09	-1	-2	50.00	58,486	17,010	243.83
66	FirsTier Bank NA, Lincoln, Neb.	1,094	2,069	-47.12	23,936	23,520	1.77	148	114	29.82	832	953	-12.70
67	Bank of California NA, San Francisco	982	971	1.13	77,209	77,038	0.22	N.A.	44	....	1,599	2,326	-31.26
68	LaMesa National Bank, Tex.	1,235	1,240	-0.40	2,365	2,617	-9.63	545	726	-24.93	818	1,039	-21.27
69	First National Bank & Trust Co., Columbus, Neb.	863	1,086	-20.53	4,642	4,807	-3.43	57	-5	1,240.00	214	-2	10,800
70	First National Bank of Hereford, Tex.	1,026	969	5.88	2,277	2,209	3.08	374	-73	612.33	416	-67	-720.90
71	Southeast Bank NA, Miami	769	586	31.23	236,348	232,909	1.48	N.A.	N.A.	....	12,918	8,508	51.83
72	Newcentury Bank-Frankenmuth, Mich.	564	1,294	-56.41	7,026	9,176	23.43	187	2	9,250.00	660	-5	13,300.00
73	Key Bank of Northern New York, Watertown	898	876	2.51	14,250	13,843	2.94	10	37	-72.97	40	16	150.00
74	First National Bank of Tulia, Tex.	1,088	1,158	-6.04	2,097	2,401	-12.66	293	259	13.13	311	321	-3.12
75	United Carolina Bank, Whiteville, N.C.	382	508	-24.80	36,906	35,642	3.55	110	97	13.40	420	160	162.50
76	Citizens Bank & Trust Co., Belzoni, Miss.	1,196	1,160	3.10	2,712	2,813	-3.59	518	251	106.37	1,697	663	155.96
77	First National Bank of Atlanta	349	526	-33.65	163,659	167,573	-2.34	N.A.	-8	....	18,862	5,603	236.64
78	Idaho Bank & Trust Co., Pocatello	925	833	11.04	11,517	11,038	4.34	75	N.A.	....	151	102	48.04
79	First National Bank of York, Neb.	894	961	-6.97	2,845	3,190	-10.82	233	701	-66.76	247	722	-65.79
80	McAllen State Bank, Tex.	426	52	719.23	18,316	17,998	1.77	112	N.A.	....	4,349	1,241	250.44
81	Citizens First National Bank of Princeton, Ill.	885	1,098	-19.40	4,206	4,392	-4.23	487	747	-34.81	522	819	-36.26
82	Manufacturers Hanover Trust Co., New York	741	1,085	-31.71	1,287,630	1,403,077	-8.23	N.A.	N.A.	....	52,208	53,494	-2.40
83	Farmers National Bank, Webster City, Iowa	476	766	-37.86	2,331	2,046	13.93	N.A.	-1	....	-6	-9	33.33
84	First Alabama Bank, Montgomery	999	871	14.70	70,891	73,562	-3.63	N.A.	N.A.	....	1,748	-96	1,920.83
85	Comerica Bank - Detroit	696	464	50.00	157,968	177,970	-11.24	N.A.	N.A.	....	11,777	7,167	64.32
86	Commonwealth National Bank, Harrisburg, Pa.	362	597	-39.36	30,974	31,373	-1.27	213	345	-38.26	1,540	1,028	49.81
87	Farmers & Merchants State Bank, Archbold, Ohio	696	825	-15.64	4,164	3,883	7.24	-32	-5	-540.00	-108	-19	-468.42
88	First Bank & Trust Co. of Idaho, Malad City	570	873	-34.71	1,183	1,847	-35.95	15	-3	600.00	48	-15	420.00
89	Sunwest Bank of Clovis NA, N.M.	1,619	780	107.56	3,580	3,389	5.64	N.A.	N.A.	....	27	-5	640.00
90	United Bank of Arizona, Phoenix	926	364	154.40	46,531	40,119	15.98	33	181	-81.77	1,145	1,473	-22.27
91	Gering National Bank & Trust Co., Neb.	938	926	1.30	2,017	2,702	-25.35	766	1,111	-31.05	788	1,392	-43.39
92	Trustmark National Bank, Jackson, Miss.	486	152	219.74	50,219	48,392	3.78	N.A.	N.A.	....	916	1,212	-24.42
93	First National Bank of Shreveport, La.	550	551	-0.18	25,620	27,339	-6.29	1,753	273	542.12	3,424	937	265.42
94	Ida County State Bank, Ida Grove, Iowa	778	943	-17.50	1,678	1,904	-11.87	18	94	-80.85	-5	86	-105.81
95	First National Bank at Lubbock, Tex.	814	1,270	-35.91	12,891	13,173	-2.14	16	11	45.45	692	671	3.13
96	First Tennessee Bank NA Memphis	228	433	-47.34	106,978	105,545	1.36	N.A.	N.A.	....	6,071	5,645	7.55
97	First Interstate Bank Billings, Mont.	665	1,027	-35.25	6,434	8,325	-22.71	470	N.A.	....	543	102	432.35
98	Twin Falls Bank & Trust Co., Idaho	745	834	-10.67	3,884	3,924	-1.02	65	N.A.	....	122	67	82.09
99	Huntington National Bank, Columbus, Ohio	633	707	-10.47	142,110	134,173	5.92	N.A.	N.A.	....	768	5,467	-85.95
100	MBank Corpus Christi NA, Tex.	410	412	-0.49	14,518	14,577	-0.40	N.A.	23	....	1,286	919	39.93
	TOTALS FOR TOP 100	191,039	250,530	-23.75	19,370,967	19,574,189	-1.04	71,359	47,210	51.15	1,109,820	808,140	37.33

The top 100 banks listed in order of domestic agricultural loans outstanding on 3/31/86. The banks were drawn from the universe of all insured commercial banks in the U.S. **Data Source:** The federal regulatory report of income from **ADP's Data Services Division, New York.** Please note that ADP adjusts 1985 data for mergers ocurring in 1986. **Interest income from farm loans** is gross interest and fee income on loans to finance agricultural production, booked in domestic offices. Data are for the first quarter of 1986 and 1985, respectively, and are from Schedule RI-Report of Income, item 1.a.(1).(c). **total interest income** is total gross interest income for the bank from all of its operations both domestic and foreign. It is taken from Schedule RI, item 1.g. **Charge-offs on Farm Loans** are net charge-offs (charge-offs minus recoveries) on loans to finance agricultural production both domestic and foreign. These data are for the first quarter of 1986 and 1985, respectively, and are from Schedule RI-B, item 3. **Charge-offs on all loans** are net charge-offs (charge-offs minus recoveries) on all loans both domestic and foreign. These data are for the first quarter of 1986 and 1985, respectively, and are from Schedule RI-B, item 9.

Top 100 Banks in Agricultural Loans

Bad Farm Loans, Total Bad Loans, and Bad Loan Ratio
Based on Loans Outstanding March 31, 1986, Compared with March 31, 1985

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

		Bad Farm Loans			Total Bad Loans			Bad Farm Loan Ratio		
		3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	Change
1	Bank of America NT&SA, San Francisco	N.A.	N.A.	....	2,472,000	2,608,000	-5.21	N.A.	N.A.	....
2	Wells Fargo Bank NA, San Francisco	144,476	58,655	146.31	604,522	517,376	16.84	0.79	0.35	0.44
3	Security Pacific National Bank, Los Angeles	137,396	113,457	21.10	933,644	1,009,376	-7.50	0.57	0.48	0.09
4	Valley National Bank of Arizona, Phoenix	25,530	26,448	-3.47	194,685	150,893	29.02	0.39	0.46	-0.07
5	Rainier National Bank, Seattle	16,503	14,799	11.51	111,909	111,621	0.26	0.35	0.34	0.01
6	Crocker National Bank, San Francisco	85,113	92,849	-8.33	283,459	638,485	-55.60	0.73	0.79	-0.06
7	Idaho First National Bank, Boise	17,480	1,646	961.97	N.A.	N.A.	....	1.17	0.10	1.07
8	Seattle-First National Bank	19,913	11,402	74.64	459,473	528,438	-13.05	0.27	0.18	0.09
9	United States National Bank, Portland, Ore.	21,058	6,129	243.58	148,781	161,425	-7.83	0.45	0.14	0.31
10	Norwest Bank South Dakota NA, Sioux Falls	15,361	28,230	-45.59	N.A.	N.A.	....	1.79	3.05	-1.26
11	First Bank South Dakota NA, Sioux Falls	47,751	27,692	72.44	N.A.	N.A.	....	5.91	2.97	2.94
12	First Interstate Bank of California, Los Angeles	23,890	20,491	16.59	368,096	356,040	3.39	0.20	0.18	0.02
13	Chemical Bank, New York	2,740	4,389	-37.57	729,598	694,299	5.08	0.01	0.02	-0.01
14	First National Bank, Amarillo, Tex.	10,707	437	2,350.11	N.A.	N.A.	....	1.73	0.07	1.66
15	Lloyds Bank California, Los Angeles	11,732	8,084	45.13	62,626	88,916	-29.57	0.59	0.44	0.15
16	Peoples National Bank of Washington, Seattle	1,116	3,612	-69.10	24,674	19,471	26.72	0.07	0.25	-0.18
17	First National Bank & Trust Co., Oklahoma City	16,015	5	320,200	158,105	74,670	111.74	1.58	0.00	1.58
18	Citizens Fidelity Bank & Trust Co., Louisville, Ky.	N.A.	22	....	45,652	32,798	39.19	N.A.	0.00	....
19	United Bank of Denver NA	403	144	179.86	50,654	42,837	18.25	0.03	0.01	0.02
20	First Interstate Bank Arizona NA, Phoenix	2,814	2,729	3.11	58,143	45,976	26.46	0.07	0.08	-0.01
21	Norwest Bank Nebraska NA, Omaha	26,311	3,884	577.42	N.A.	N.A.	....	3.14	0.42	2.72
22	InterFirst Bank Dallas NA	N.A.	N.A.	....	263,231	357,114	-26.29	N.A.	N.A.	....
23	Texas American Bank Fort Worth NA	14,030	13,720	2.26	95,811	64,339	48.92	0.68	0.72	-0.04
24	First Security Bank Idaho NA, Boise	6,672	3,786	76.23	N.A.	N.A.	....	0.53	0.32	0.21
25	Old National Bank of Washington, Spokane	2,193	5,086	-56.88	N.A.	N.A.	....	0.18	0.51	-0.33
26	FirsTier Bank NA, Omaha, Neb.	6,561	8,288	-20.84	N.A.	N.A.	....	0.97	1.23	-0.26
27	Wachovia Bank & Trust Co., Winston-Salem, N.C.	668	202	230.69	31,737	21,970	44.46	0.01	0.00	0.01
28	First Interstate Bank Oregon, Portland	6,184	7,606	-18.70	75,469	81,727	-7.66	0.19	0.24	-0.05
29	Citibank NA, New York	N.A.	N.A.	....	509,000	551,000	-7.62	N.A.	N.A.	....
30	Branch Banking & Trust Co., Wilson, N.C.	1,241	1,250	-0.72	N.A.	N.A.	....	0.07	0.08	-0.01
31	NCNB National Bank of North Carolina, Charlotte	758	1,030	-26.41	82,653	76,687	7.78	0.01	0.02	-0.01
32	Valley Bank Idaho Falls, Idaho	8,412	N.A.	....	N.A.	N.A.	....	4.72	N.A.	....
33	Dominion Bank Shenandoah Valley NA, Bridgewater, Va.	705	453	55.63	N.A.	N.A.	....	0.19	0.14	0.05
34	American Bank & Trust Co., Reading, Pa.	2,750	3,919	-29.83	N.A.	N.A.	....	0.12	0.20	-0.08
35	NCNB National Bank of Florida, Tampa	1,304	1,095	19.09	60,723	66,389	-8.53	0.04	0.04	0.00
36	First Security Bank of Utah NA, Ogden	2,409	2,402	0.29	63,503	N.A.	....	0.13	0.15	-0.02
37	Colorado National Bank of Denver	22,017	27,325	-19.43	N.A.	N.A.	....	3.06	3.04	0.02
38	First National Bank of Holdrege, Neb.	3,434	N.A.	....	N.A.	N.A.	....	4.53	N.A.	....
39	First Victoria National Bank, Tex.	7,756	3,489	122.30	N.A.	N.A.	....	3.71	1.49	2.22
40	Hamilton Bank, Lancaster, Pa.	609	796	-23.49	11,952	18,019	-33.67	0.03	0.05	-0.02
41	Monticello State Bank, Iowa	479	N.A.	....	N.A.	N.A.	....	0.71	N.A.	....
42	Deposit Guaranty National Bank, Jackson, Miss.	720	99	627.27	21,395	22,336	-4.21	0.04	0.01	0.03
43	Amarillo National Bank, Tex.	4,232	5,538	-23.58	N.A.	N.A.	....	0.98	1.35	-0.37
44	First Union National Bank, Charlotte, N.C.	1,004	2,546	-60.57	55,042	53,217	3.43	0.01	0.04	-0.03
45	Sun Bank of Ocala, Fla.	4,133	N.A.	....	N.A.	N.A.	....	2.13	N.A.	....
46	First National Bank of Great Falls, Mont.	2,653	N.A.	....	N.A.	N.A.	....	1.52	N.A.	....
47	Bankwest NA, Pierre, S.D.	6,229	N.A.	....	N.A.	N.A.	....	6.95	N.A.	....
48	Sovran Bank NA, Richmond	1,018	98	938.78	38,613	30,398	27.02	0.01	0.00	0.01
49	Norstar Bank of Upstate NY, Albany	714	89	702.25	N.A.	N.A.	....	0.05	0.01	0.04
50	Guardian State Bank & Trust Co., Alliance, Neb.	3,765	N.A.	....	N.A.	N.A.	....	6.02	N.A.	....
51	Morgan Guaranty Trust Co. of New York	N.A.	N.A.	....	213,949	284,437	-24.78	N.A.	N.A.	....
52	First Security National Bank & Trust Co., Lexington, Ky.	N.A.	4,281	....	N.A.	N.A.	....	N.A.	0.79	....
53	Bank of Stockton, Calif.	1,670	1,871	-10.74	N.A.	N.A.	....	0.53	0.60	-0.07
54	First Interstate Bank Washington NA, Spokane	2,704	2,146	26.00	59,311	42,654	39.05	0.14	0.11	0.03
55	Adams Bank & Trust Co., Ogallala, Neb.	2,024	N.A.	....	N.A.	N.A.	....	2.65	N.A.	....
56	Continental Illinois National Bank & Trust Co, Chicago	N.A.	N.A.	....	549,537	530,780	3.53	N.A.	N.A.	....
57	Key Bank NA, Albany, N.Y.	589	60	881.67	N.A.	N.A.	....	0.05	0.01	0.04
58	Citizens & Southern National Bank, Atlanta	339	227	49.34	48,499	42,295	14.67	0.01	0.00	0.01
59	Grenada Bank, Miss.	6,335	3,416	85.45	N.A.	N.A.	....	1.32	0.81	0.51
60	RepublicBank Dallas NA	N.A.	N.A.	....	326,697	198,081	64.93	N.A.	N.A.	....
61	Bank of Hawaii, Honolulu	1,280	1,557	-17.79	37,957	35,523	6.85	0.06	0.09	-0.03
62	Lebanon Valley National Bank, Lebanon, Pa.	91	N.A.	....	N.A.	N.A.	....	0.04	N.A.	....
63	First Interstate Bank Idaho NA, Boise	1,797	7,065	-74.56	N.A.	N.A.	....	0.33	1.29	-0.96
64	MBank Dallas NA	N.A.	N.A.	....	239,024	210,354	13.63	N.A.	N.A.	....
65	Marine Midland Bank NA, Buffalo, N.Y.	4,520	3,747	20.63	273,530	386,065	-29.15	0.04	0.04	0.00
66	FirsTier Bank NA, Lincoln, Neb.	1,792	148	1,110.81	N.A.	N.A.	....	0.38	0.03	0.35
67	Bank of California NA, San Francisco	1,533	10,597	-85.53	69,703	96,467	-27.74	0.08	0.60	-0.52
68	LaMesa National Bank, Tex.	169	N.A.	....	N.A.	N.A.	....	0.33	N.A.	....
69	First National Bank & Trust Co., Columbus, Neb.	363	N.A.	....	N.A.	N.A.	....	0.41	N.A.	....
70	First National Bank of Hereford, Tex.	1,754	N.A.	....	N.A.	N.A.	....	2.82	N.A.	....
71	Southeast Bank NA, Miami	522	281	85.77	110,143	99,835	10.33	0.01	0.00	0.01
72	Newcentury Bank-Frankenmuth, Mich.	14,595	4,585	218.32	N.A.	N.A.	....	8.20	1.94	6.26
73	Key Bank of Northern New York, Watertown	579	192	201.56	N.A.	N.A.	....	0.18	0.07	0.11
74	First National Bank of Tulia, Tex.	792	N.A.	....	N.A.	N.A.	....	1.53	N.A.	....
75	United Carolina Bank, Whiteville, N.C.	116	118	-1.69	N.A.	N.A.	....	0.01	0.01	0.00
76	Citizens Bank & Trust Co., Belzoni, Miss.	3,250	N.A.	....	N.A.	N.A.	....	4.42	N.A.	....
77	First National Bank of Atlanta	N.A.	N.A.	....	56,977	75,386	-24.42	N.A.	N.A.	....
78	Idaho Bank & Trust Co., Pocatello	3,467	240	1,344.58	N.A.	N.A.	....	1.14	0.08	1.06
79	First National Bank of York, Neb.	1,846	N.A.	....	N.A.	N.A.	....	2.91	N.A.	....
80	McAllen State Bank, Tex.	2,058	59	3,388.14	N.A.	N.A.	....	0.40	0.01	0.39
81	Citizens First National Bank of Princeton, Ill.	2,101	N.A.	....	N.A.	N.A.	....	2.14	N.A.	....
82	Manufacturers Hanover Trust Co., New York	N.A.	N.A.	....	930,128	728,035	27.76	N.A.	N.A.	....
83	Farmers National Bank, Webster City, Iowa	7,260	N.A.	....	N.A.	N.A.	....	14.09	N.A.	....
84	First Alabama Bank, Montgomery	362	633	-42.81	N.A.	N.A.	....	0.02	0.04	-0.02
85	Comerica Bank - Detroit	N.A.	N.A.	....	161,983	127,826	26.72	N.A.	N.A.	....
86	Commonwealth National Bank, Harrisburg, Pa.	765	2,271	-66.31	N.A.	N.A.	....	0.09	0.30	-0.21
87	Farmers & Merchants State Bank, Archbold, Ohio	134	N.A.	....	N.A.	N.A.	....	0.14	N.A.	....
88	First Bank & Trust Co. of Idaho, Malad City	17,452	N.A.	....	N.A.	N.A.	....	39.05	N.A.	....
89	Sunwest Bank of Clovis NA, N.M.	1,116	N.A.	....	N.A.	N.A.	....	1.33	N.A.	....
90	United Bank of Arizona, Phoenix	797	290	174.83	32,006	30,067	6.45	0.05	0.03	0.02
91	Gering National Bank & Trust Co., Neb.	8,825	N.A.	....	N.A.	N.A.	....	15.67	N.A.	....
92	Trustmark National Bank, Jackson, Miss.	N.A.	458	....	N.A.	N.A.	....	N.A.	0.04	....
93	First National Bank of Shreveport, La.	1,947	68	2,763.24	N.A.	N.A.	....	0.31	0.01	0.30
94	Ida County State Bank, Ida Grove, Iowa	3,651	N.A.	....	N.A.	N.A.	....	8.58	N.A.	....
95	First National Bank at Lubbock, Tex.	2,318	2,255	2.79	N.A.	N.A.	....	0.64	0.68	-0.04
96	First Tennessee Bank NA Memphis	N.A.	N.A.	....	54,559	54,341	0.40	N.A.	N.A.	....
97	First Interstate Bank Billings, Mont.	4,183	274	1,426.64	N.A.	N.A.	....	2.04	0.13	1.91
98	Twin Falls Bank & Trust Co., Idaho	2,158	N.A.	....	N.A.	N.A.	....	2.55	N.A.	....
99	Huntington National Bank, Columbus, Ohio	1,000	988	1.21	72,419	91,706	-21.03	0.02	0.03	-0.01
100	MBank Corpus Christi NA, Tex.	1,331	2,750	-51.60	N.A.	N.A.	....	0.30	0.66	-0.36
	TOTALS FOR TOP 100	848,544	564,498	50.32	11,251,572	11,457,669	-1.80	0.22	0.16	0.06

The top 100 banks listed in order of domestic agricultural loans outstanding on 3/31/86. The banks were drawn from the universe of all insured commercial banks in the U.S. **Data Source:** All data were taken from the federal regulatory report of condition for all insured commercial banks from **ADP's Data Services Division, New York.** Please note that ADP adjusts 1985 data for mergers ocurring in 1986. **Bad farm loans** are domestic farm loans to finance agricultural production that are past due 90 days or more and still accruing; plus nonaccruing loans; plus renegotiated, or "troubled" debt. (Schedule RC-N, item 1d, Columns B, C, and D). **Total bad loans** are all domestic loans that are past due 90 days or more and still accruing; plus nonaccruing loans; plus renegotiated, or "troubled" debt.(Schedule N, item 3- Total; minus item 2- in foreign offices). **Bad Farm Loan Ratio** is calculated by dividing bad farm loans by total domestic loans.

Opportunities for Rural Banks Decline as Farms Disappear

➔ Continued from Page 11

determining how much the farmer could borrow.

A collapse in farmland values, up to 60% in some parts of the Midwest, also has lowered the amount of farm lending. Farmland is often the collateral for agricultural loans. With falling real estate values, a farmer can't borrow as much against his property.

In addition, a fundamental shift in the demand for credit has lowered farm lending totals. Capital expenditures have declined, especially for big ticket items such as machinery. The cost of inputs has also declined; fertilizer is an example. With the steep fall in oil prices early this year, the cost of many petroleum-based fertilizers or those extracted from petroleum products also has dropped. So, too, has the price of diesel fuel and gasoline used to operate machinery.

Finally, commercial banks have reduced outstanding farm credits through the painful and costly process of charging off huge amounts of agricultural loans. According to the *American Banker* data, the top 100 lenders to agriculture in the first quarter wrote off agricultural loans totaling $71.3 million, a 51.15% increase from $47.2 million in the first quarter of last year. Of the top 100 agricultural lenders, 46 increased their volume of farm loan chargeoffs during the first quarter of 1986, compared with the same quarter a year earlier. Another 33 of the top 100 lenders reduced their farm loan chargeoffs, while tallies for the remaining 21 banks could not be determined.

Among banks with 25% or more of loans tied to agriculture, nearly 14% of their aggregate total of $698.7 million in agricultural loans in the first quarter were considered bad loans. A bad loan is one that is 90 days or more past due, not accruing interest, or is renegotiated.

Although the decline in farm lending among what are generally considered farm banks — those with a quarter of their loans tied to agriculture — was not as dramatic as the decline posted by the largest commercial bank lenders to farming, the decline among the smaller banks was in some ways more significant. These banks typically are located in the Midwest, the country's agricultural heartland where farming is not only a way of life but the dominant business. And the commercial bank in many of these small rural towns is the economic lifeline for the community.

But the economic pulse of many of the rural farm communities is beating slowly. Overall loan demand, both consumer and business, is down. Those banks with a quarter of their loan portfolio tied to agriculture not only reported a drop in farm loans in the first quarter, but also a steep decline in total loans. Total loans for banks in this category fell 4.12% in the first quarter to $953 million from $994 million during the same time last year.

With the banks unable or unwilling to commit funds to financing farming and other business, and with little prospect of diversifying into other types of lending, the future vitality of many of these rural farm communities is in jeopardy. For many of these communities a bleak future is likely.

The American Bankers Association earlier this year published a report predicting agricultural banking would be conducted in fewer trade centers as the number of medium-size farms continues to decline. The task for bankers is not only to identify those centers where they can do business, but also become more sophisticated and aggressive in order to survive, report said.

The report also predicted that, by 1995, the competition between commercial banks and the Farm Credit System will become even keener. The Farm Credit System already is the largest supplier of agricultural credit with $59.2 billion in outstanding loans at the end of 1985, compared to commercial banks, which rank second with $46.9 billion.

The strong loyalty rural banks traditionally have enjoyed with their farmer borrowers also will be tested in the years to come. Farmers, wanting and needing more than financing, will flock toward one-stop providers of a multitude of services, the American Bankers Association report concludes.

The near-term outlook for agricultural bankers isn't much better. While there are some signs of a slackening in the prolonged agricultural downturn, no one is prepared to forecast any marked improvements. Said Gary L. Benjamin, a research economist at the Federal Reserve Bank of Chicago, "Lenders haven't worked their way through all the problems yet." ■

Dear Reader, How Are We Doing?

American Banker wants very much to provide you with articles that are both interesting and useful in our surveys. Would you take a moment to give us some feedback on today's survey on **AGRICULTURAL LENDING**? Please return this questionnaire to William Zimmerman, Editor, American Banker, One State Street Plaza, New York, N.Y. 10004 (212-943-5712).

(1.) How useful was the information in this survey?

(A) Very Useful ☐ (B) Useful ☐ (C) Not Useful ☐

(2.) What do you like **best** about the survey?

____

(3.) What do you like **least** about the survey?

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(4.) What themes or topics would you like to see explored in future surveys?

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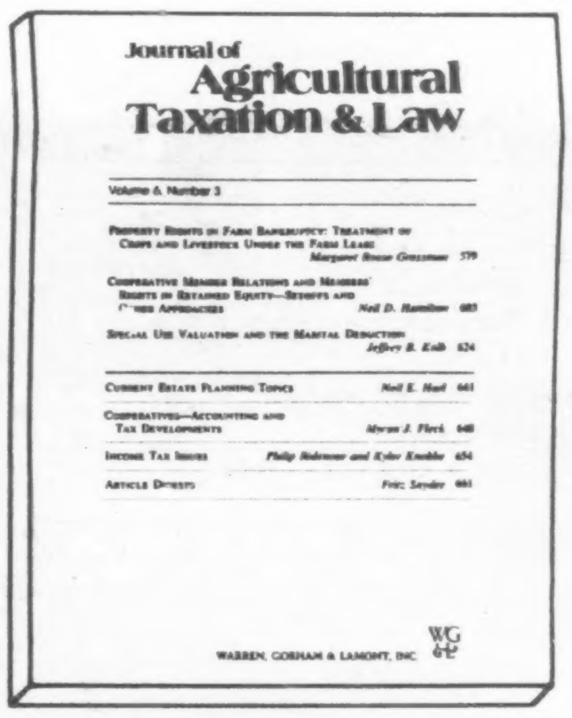

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Top 100 Agricultural Banks

Based on Domestic Agricultural Loans Outstanding March 31, 1986, Compared with March 31, 1985

For Banks with 25% or More of Their Loans in Agriculture

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

		Total Agricultural Loans			Loans to Finance Agricultural Production			Total Loans			Bad Farm Loans
		3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.	3/31/86
1	Citizens State Bank & Trust Co., Hiawatha, Kan.	25,427	27,563	-7.75	25,146	27,208	-7.58	31,794	36,628	-13.20	6,525
2	First National Bank of Scott City, Kan.	22,531	22,997	-2.03	21,631	22,997	-5.94	28,266	29,459	-4.05	1,402
3	Hoxie State Bank, Kan.	21,971	23,378	-6.02	21,971	23,378	-6.02	25,958	28,227	-8.04	4,928
4	Citizens National Bank & Trust Co., Anthony, Kan.	17,210	16,613	3.59	14,404	15,716	-8.35	21,351	20,275	5.31	49
5	Stock Growers State Bank, Ashland, Kan.	16,059	15,386	4.37	15,437	15,029	2.71	19,116	18,159	5.27	165
6	Farmers & Merchants National Bank, West Point, Neb.	15,818	17,668	-10.47	13,697	16,488	-16.93	19,984	21,867	-8.61	481
7	First National Bank of Dighton, Kan.	15,246	14,898	2.34	15,071	14,798	1.84	18,895	16,694	13.18	12
8	Grant County Bank, Medford, Okla.	14,209	14,708	-3.39	13,066	13,651	-4.29	16,156	16,629	-2.84	0
9	Plainview National Bank, Neb.	14,173	16,200	-12.51	12,778	15,184	-15.85	17,327	18,912	-8.38	1,414
10	State Bank of Cairo, Neb.	13,770	15,494	-11.13	11,885	14,471	-17.87	17,294	19,422	-10.96	1,146
11	First State Bank, Kiowa, Kan.	13,194	13,928	-5.27	11,974	13,204	-9.32	16,747	18,388	-8.92	722
12	Cheyenne County State Bank, St. Francis, Kan.	13,139	14,103	-6.84	13,120	13,782	-4.80	15,061	16,157	-6.78	1,351
13	Raritan State Bank, Ill.	13,076	12,612	3.68	12,344	11,909	3.65	16,613	16,456	0.95	46
14	First National Bank of Quinter, Kan.	12,714	11,009	15.49	11,918	10,942	8.92	15,320	13,683	11.96	16
15	Campbell County Bank, Herreid, S.D.	12,350	12,275	0.61	12,209	12,071	1.14	15,007	14,971	0.24	513
16	American National Bank, Creighton, Neb.	11,727	12,091	-3.01	11,574	11,922	-2.92	13,999	14,214	-1.51	39
17	Bruning State Bank, Neb.	11,495	12,056	-4.65	8,689	9,246	-6.02	13,846	14,820	-6.57	0
18	First National Bank of Hope, Kan.	10,962	10,820	1.31	9,658	9,794	-1.39	13,186	13,557	-2.74	1,708
19	First National Bank & Trust Co., Fullert, Neb.	10,856	11,850	-8.39	8,731	11,084	-21.23	13,132	13,524	-2.90	701
20	Northwestern State Bank, Hay Springs, Neb.	10,856	10,849	0.06	10,675	10,798	-1.14	13,038	12,984	0.42	687
21	Genoa National Bank, Neb.	10,760	10,478	2.69	8,315	9,210	-9.72	12,927	12,605	2.55	618
22	Farmers State Bank, Hawarden, Iowa	10,636	13,242	-19.68	8,194	11,473	-28.58	13,086	15,553	-15.86	455
23	First National Bank of Quitaque, Tex.	10,417	10,724	-2.86	10,417	10,724	-2.86	12,372	12,652	-2.21	402
24	Farmers State Bank, Dupree, S.D.	10,137	8,905	13.83	9,919	8,719	13.76	11,565	10,753	7.55	596
25	First State Bank, Healy, Kan.	9,938	9,245	7.50	9,580	9,038	6.00	12,665	11,979	5.73	136
26	First State Bank of King City, Mo.	9,598	10,121	-5.17	7,097	7,333	-3.22	11,097	12,490	-11.15	1,612
27	Citizens National Bank of Greenleaf, Kan.	9,233	8,339	10.72	9,027	8,088	11.61	11,370	10,528	8.00	93
28	First State Bank Abernathy, Tex.	9,115	7,377	23.56	9,115	7,377	23.56	10,087	8,268	22.00	182
29	First Fidelity Bank, Colome, S.D.	8,631	9,695	-10.97	8,631	9,695	-10.97	9,735	10,576	-7.95	1,015
30	Bank of Mullen, Neb.	8,613	6,797	26.72	7,883	6,569	20.00	10,739	8,366	28.36	274
31	Chokio State Bank, Minn.	8,590	10,827	-20.66	7,435	9,547	-22.12	10,181	12,734	-20.05	2,624
32	Seven Valleys State Bank, Callaway, Neb.	7,870	8,262	-4.74	7,326	8,175	-10.39	9,840	11,177	-11.96	200
33	Farmers National Bank in Pilger, Neb.	7,815	9,324	-16.18	7,803	9,172	-14.93	8,684	10,523	-17.48	213
34	Bank of Elgin, Neb.	7,581	8,326	-8.95	7,189	8,240	-12.75	9,164	10,316	-11.17	1,558
35	State Bank Benkelman, Neb.	7,535	8,016	-6.00	7,143	7,996	-10.67	9,191	9,986	-7.96	28
36	Tri County Bank, Stuart, Neb.	7,489	7,304	2.53	6,269	6,072	3.24	9,399	9,539	-1.47	581
37	First National Bank of Ainsworth, Neb.	7,306	7,686	-4.94	7,305	7,668	-4.73	8,835	9,230	-4.28	62
38	Farmers State Bank of Adams, Minn.	7,265	7,082	2.58	6,500	6,672	-2.58	8,749	8,826	-0.87	24
39	First National Bank of Hayes Center, Neb.	7,263	7,786	-6.72	5,060	6,405	-21.00	8,235	8,939	-7.88	12
40	Haxtun Community Bank, Colo.	7,167	5,744	24.77	6,381	5,366	18.92	8,664	8,089	7.11	0
41	First State Bank, Ransom, Kan.	7,028	7,056	-0.40	6,505	6,643	-2.08	8,130	8,363	-2.79	602
42	Farmers Savings Bank, Shelby, Iowa	6,983	9,373	-25.50	5,830	9,325	-37.48	8,669	11,284	-23.17	455
43	Wakefield National Bank, Neb.	6,942	8,106	-14.36	6,936	7,786	-10.92	8,219	10,195	-19.38	1,956
44	First State Bank, Roscoe, S.D.	6,851	6,139	11.60	6,761	6,139	10.13	7,450	6,710	11.03	321
45	Howells Bank, Neb.	6,832	6,578	3.86	5,643	6,116	-7.73	8,022	7,969	0.67	320
46	Chambers State Bank, Neb.	6,828	7,489	-8.83	6,715	7,371	-8.90	8,557	9,842	-13.06	0
47	First State Bank, Claremont, S.D.	6,804	6,167	10.33	6,725	6,052	11.12	7,456	7,026	6.12	5
48	Bank of Bertrand, Neb.	6,754	7,841	-13.86	6,529	7,598	-14.07	8,016	9,088	-11.80	0
49	Bank of Keystone, Neb.	6,678	5,687	17.43	6,678	5,687	17.43	8,235	6,872	19.83	203
50	Central Dakota Bank, Lehr, N.D.	6,677	6,359	5.00	5,526	5,422	1.92	8,403	8,108	3.64	253
51	Farmers State Bank, Maddock, N.D.	6,672	7,499	-11.03	4,910	6,082	-19.27	8,430	9,402	-10.34	1,545
52	Security State Bank, Doland, S.D.	6,568	5,503	19.35	5,827	5,446	7.00	7,684	6,596	16.49	9
53	First National Bank of Bayard, Neb.	6,547	8,296	-21.08	5,662	7,477	-24.27	7,966	10,031	-20.59	1,644
54	Farmers State Bank Maywood, Neb.	6,335	7,349	-13.80	5,934	6,581	-9.83	7,144	8,160	-12.45	1,163
55	Laddonia State Bank, Mo.	6,320	6,588	-4.07	3,635	3,454	5.24	7,905	8,349	-5.32	106
56	Center State Bank, Neb.	6,072	5,542	9.56	5,418	5,071	6.84	6,872	6,223	10.43	99
57	Home State Bank, Royal, Iowa	6,064	6,030	0.56	5,232	5,894	-11.23	7,523	7,408	1.55	329
58	Fowler State Bank, Kan.	6,029	5,611	7.45	5,755	5,486	4.90	7,422	6,838	8.54	0
59	First National Bank of Emerson, Neb.	6,011	6,494	-7.44	5,238	6,196	-15.46	7,381	8,202	-10.01	307
60	Farmers Trust & Savings Bank, Earling, Iowa	5,952	6,465	-7.94	5,652	6,243	-9.47	7,507	8,160	-8.00	0
61	First National Bank of Belden, Neb.	5,938	6,685	-11.17	5,406	5,986	-9.69	6,564	7,153	-8.23	554
62	First National Bank of Newman Grove, Neb.	5,841	7,274	-19.70	4,782	6,750	-29.16	7,322	8,482	-13.68	65
63	State Bank of Hildreth, Neb.	5,804	6,440	-9.88	5,217	5,904	-11.64	7,336	8,317	-11.80	306
64	First National Bank of Hooper, Neb.	5,777	6,812	-15.19	5,299	6,382	-16.97	7,065	8,688	-18.68	0
65	Arnold State Bank, Neb.	5,699	5,417	5.21	5,027	4,854	3.56	6,796	6,667	1.93	0
66	First State Bank of Goodrich, N.D.	5,516	4,987	10.61	5,131	4,717	8.78	6,477	6,322	2.45	391
67	Farmers State Bank, Turton, S.D.	5,464	4,970	9.94	4,952	4,671	6.02	6,947	6,515	6.63	27
68	Security State Bank, Bird City, Kan.	5,330	5,369	-0.73	4,972	5,168	-3.79	6,682	6,638	0.66	330
69	First State Bank of Sharon, N.D.	5,254	5,264	-0.19	4,545	4,871	-6.69	6,550	6,190	5.82	254
70	Citizens State Bank, Clearwater, Neb.	5,224	5,899	-11.44	4,855	5,480	-11.41	6,622	7,068	-6.31	860
71	Farmers Deposit Bank, Middleburg, Ky.	5,122	4,948	3.52	2,530	2,580	-1.94	6,055	5,896	2.70	0
72	Bank of Lindsay, Neb.	5,067	5,660	-10.48	5,007	5,630	-11.07	6,114	6,795	-10.02	0
73	First National Bank of Fonda, Iowa	4,957	3,956	25.30	4,170	3,755	11.05	6,139	5,747	6.82	57
74	Anchor Bank, Merriman, Neb.	4,893	3,848	27.16	4,711	3,833	22.91	6,119	5,548	10.29	494
75	Commercial Bank, Bassett, Neb.	4,859	7,183	-32.35	3,909	6,199	-36.94	6,166	8,958	-31.17	0
76	First State Bank, Boise City, Okla.	4,841	5,161	-6.20	4,820	5,134	-6.12	5,914	6,285	-5.90	0
77	First National Bank of Spearville, Kan.	4,823	4,323	11.57	4,783	4,258	12.33	5,864	5,558	5.51	237
78	First National Bank of Utica, Neb.	4,787	6,621	-27.70	4,655	6,452	-27.85	5,983	7,862	-23.90	464
79	Franklin Grove Bank, Ill.	4,697	4,496	4.47	4,697	4,496	4.47	5,859	5,690	2.97	0
80	Citizens State Bank, Thedford, Neb.	4,697	4,468	5.13	4,505	4,287	5.09	5,752	5,450	5.54	307
81	First Trust & Savings Bank, Moville, Iowa	4,682	6,768	-30.82	3,951	5,722	-30.95	5,635	7,850	-28.22	28
82	Farmers State Bank, Winona, Kan.	4,657	4,993	-6.73	4,280	4,794	-10.72	5,487	5,842	-6.08	0
83	First State Bank, Happy, Tex.	4,535	3,386	33.93	4,535	3,386	33.93	5,242	4,519	16.00	9
84	West Chester Savings Bank, Iowa	4,452	3,085	44.31	2,591	2,778	-6.73	5,569	3,710	50.11	0
85	First National Bank of Eden, S.D.	4,436	4,793	-7.45	4,224	4,507	-6.28	5,528	6,214	-11.04	512
86	Bank of Glen Ullin, N.D.	4,387	5,345	-17.92	3,995	4,903	-18.52	5,535	6,382	-13.27	145
87	Farnam Bank, Neb.	4,359	5,155	-15.44	4,359	5,069	-14.01	5,262	6,025	-12.66	297
88	Leola State Bank, S.D.	4,335	5,153	-15.87	4,129	5,093	-18.93	5,105	6,496	-21.41	539
89	Henderson State Bank, Neb.	4,262	5,557	-23.30	3,712	5,457	-31.98	4,719	6,338	-25.54	430
90	Deuel County State Bank, Chappell, Neb.	4,256	3,196	33.17	4,256	3,196	33.17	5,198	4,227	22.97	5
91	De Witt State Bank, Neb.	4,144	4,049	2.35	4,144	4,049	2.35	4,921	5,748	-14.39	0
92	Byron State Bank, Neb.	3,995	3,733	7.02	3,592	3,693	-2.73	4,844	5,166	-6.23	83
93	Peoples State Bank, Summit, S.D.	3,968	4,103	-3.29	3,433	4,023	-14.67	4,696	4,859	-3.35	182
94	Commercial State Bank, Long Island, Kan.	3,953	5,375	-26.46	3,922	5,337	-26.51	4,857	6,552	-25.87	181
95	Commercial State Bank, Republican City, Neb.	3,932	3,723	5.61	2,656	3,559	-25.37	4,558	4,491	1.49	0
96	State Bank of Oaco, Ill.	3,858	4,503	-14.32	3,639	4,342	-16.19	4,782	5,319	-10.10	0
97	First National Bank of Odonnello, Tex.	3,733	1,427	161.60	3,733	1,427	161.60	4,302	1,578	172.62	0
98	Hartwick State Bank, Iowa	3,590	4,027	-10.85	3,185	3,616	-11.92	4,366	4,991	-12.52	226
99	Grafton State Bank, Neb.	3,578	2,436	46.88	2,722	2,417	12.62	4,072	3,854	5.66	161
100	Fulton State Bank, S.D.	3,544	4,056	-12.62	3,446	3,947	-12.69	4,388	5,057	-13.23	251
	TOTALS FOR TOP 100 AGRICULTURAL BANKS	787,935	812,594	-3.03	718,155	766,002	-6.25	353,058	994,028	-4.12	49,302

For the purposes of this survey, agricultural banks are defined as banks with 25% or more of their loans in agricultural lending. **Data Source:** All data were taken from the federal regulatory report of condition for all insured commercial banks from ADP's Data Services Division, New York. Please note that ADP adjusts 1985 data for mergers ocurring in 1986. Total Agricultural Loans are the sum of loans secured by farmland (Schedule RC-C, Item 1.b., Column B—Domestic Offices) plus loans to finance agricultural production and other loans to farmers (Schedule RC-C, Item 3, Column A—Consolidated Bank). Total Loans are total loans and leases net of unearned income that are booked in a bank's domestic offices only. (Schedule RC-C, Item 12, Column B). Bad farm loans are domestic farm loans to finance agricultural production that are past due 90 days or more and still accruing; plus nonaccruing loans; plus renegotiated, or "troubled" debt.

Top 25 Agricultural Banks in Leading Farm States

Banks with 25% or More of Their Loans in Agriculture

Listed Geographically by Order of Size within States

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

Rank 3/86		Agricultural Loans 3/31/86
	COLORADO	
1	First National Bank of Wray	26,468
2	Farmers State Bank of Yuma	17,341
3	Eastern Colorado Bank, Cheyenne Wells	14,457
4	First National Bank of Hugo	13,506
5	Citizens National Bank of Akron	12,096
6	First National Bank of Stratton	9,275
7	First National Bank of La Jara	9,153
8	Bank of Burlington	7,703
9	Colorado State Bank,	7,541
10	Haxtun Community Bank	7,167
11	First National Bank of Limon	6,432
12	First National Bank of Julesburg	6,232
13	First National Bank of Otis	6,174
14	First Bank & Trust Co.,	6,093
15	First National Bank of Fowler	5,983
16	State Bank of Wiley	5,619
17	First National Bank of Flagler	5,317
18	Citizens National Bank, Limon	4,791
19	Kit Carson State Bank	4,711
20	American State Bank, Granada	3,463
21	Fowler State Bank	3,349
22	Baca State Bank, Springfield	3,149
23	Security National Bank, Holyoke	1,794
24	McClave State Bank	1,695
25	J N Beatty & Co, Bankers, Manzanola	1,322
	ILLINOIS	
1	First State Bank of Shannon	18,125
2	Raritan State Bank	13,076
3	Milledgeville State Bank	9,454
4	Camp Grove State Bank	9,212
5	Farmers State Bank of Chadwick	8,951
6	Cissna Park State Bank	7,953
7	State Bank of Hull	7,382
8	Iroquois Farmers State Bank	6,609
9	Roseville State Bank	5,314
10	State Bank of Augusta	5,237
11	Franklin Grove Bank	4,697
12	State Bank of Osco	3,858
13	North Adams State Bank of Ursa	3,801
14	Table Grove State Bank	3,784
15	Paloma Exchange Bank	3,762
16	State Bank of Lima	3,705
17	Buffalo Prairie State Bank	3,509
18	Farmers State Bank of Emden	3,204
19	Reynolds State Bank	2,988
20	Golden State Bank	2,122
21	Citizens State Bank, Cropsey	2,097
22	State Bank of Seaton	1,512
23	Hartsburg State Bank	1,294
24	First National Bank in Homer	1,196
25	Timewell State Bank	740
	IOWA	
1	Monticello State Bank	51,459
2	Commercial State Bank, Pocahontas	28,150
3	Farmers State Bank, Hawarden	10,636
4	Templeton Savings Bank	7,687
5	Farmers Savings Bank, Shelby	6,983
6	Security Savings Bank, Ireton	6,660
7	Home State Bank, Royal	6,064
8	Gibson Savings Bank	5,982
9	Farmers Trust & Savings Bank, Earling	5,952
10	First National Bank of Fonda	4,957
11	First Trust & Savings Bank, Moville	4,682
12	West Chester Savings Bank	4,452
13	First National Bank of Tama Cty., Dysart	3,960
14	Hartwick State Bank	3,590
15	Aredale State Bank	3,489
16	Farmers Savings Bank, Danbury	3,480
17	Moorhead State Bank	3,302
18	Farmers Savings Bank, Ricketts	3,148
19	Farmers State Bank, Ridgeway	2,959
20	First National Bank of Primghar	2,875
21	Ute State Bank	2,620
22	First State Bank, Brunsville	2,536
23	Farmers Savings Bank, Pierson	2,151
24	First State Bank, Mt. Ayr	1,290
25	Farmers & Miners State Bank, Lucas	89
	KANSAS	
1	Citizens State Bank & Trust Co., Hiawatha	25,427
2	First National Bank of Scott City	22,531
3	Hoxie State Bank	21,971
4	Citizens National Bank & Trust Co., Anthony	17,210
5	Stock Growers State Bank, Ashland	16,059
6	First National Bank of Dighton	15,246
7	First State Bank, Kiowa	13,194
8	Cheyenne County State Bank, St. Francis	13,139
9	First National Bank of Quinter	12,714
10	First National Bank of Hope	10,962
11	First State Bank, Healy	9,938
12	Citizens National Bank of Greenleaf	9,233
13	First State Bank, Ransom	7,028
14	Fowler State Bank	6,029
15	Security State Bank, Bird City	5,330
16	First National Bank of Spearville	4,823
17	Farmers State Bank, Winona	4,657
18	Traders State Bank, Glen Elder	4,479
19	Commercial State Bank, Long Island	3,953
20	Peoples State Bank, McDonald	3,042
21	Farmers State Bank, Jetmore	2,672
22	Citizens State Bank, Miltonvale	1,639
23	Selden State Bank	1,605
24	Farmers State Bank, Aliceville	1,457
25	First National Bank of Summerfield	1,075
	MICHIGAN	
1	Thumb National Bank & Trust Co., Pigeon	27,848
2	Newcentury Bank-Thumb, Bad Axe	22,526
3	Farmers State Bank of Breckenridge	13,565
4	Sanilac County Bank, Deckerville	7,540
5	Exchange State Bank, Carsonville	6,716
6	Jipson Carter State Bank, Blissfield	5,804
7	Akron State Bank, Akron	5,331
8	Ruth State Bank	4,853
9	Blissfield State Bank	4,491
10	Tri-county Bank, Brown City	3,879
11	First of America Bank-Huron, Harbor Beach	3,878
12	Chemical Bank, Cass City	2,977
13	State Bank of Port Hope	2,358
14	Pioneer Bank, North Branch	2,155
15	Bayport State Bank	1,763
	MINNESOTA	
1	Wanda State Bank	15,147
2	Citizens State Bank, Clara City	9,756
3	Farmers State Bank, Clarissa	9,614
4	Chokio State Bank	8,590
5	Farmers State Bank, Trimont	7,761
6	Farmers State Bank of Adams	7,265
7	Adrian State Bank	7,229
8	First State Bank, Lake Lillian	6,447
9	State Bank of Bricelyn	6,429
10	First State Bank, Gilman	5,818
11	State Bank of Wendell	5,028
12	First National Bank of Wilmont	4,847
13	Citizens State Bank Walnut Grove	4,817
14	State Bank of Easton	4,776
15	State Bank of Kenneth	4,034
16	State Bank of Jeffers	3,961
17	Ostrander State Bank	3,633
18	Heron Lake State Bank	3,626
19	Exchange State Bank, Hills	3,620
20	Ellsworth State Bank	3,496
21	State Bank of Conger	3,123
22	Farmers State Bank, Delavan	2,995
23	First American State Bank, Sargeant	2,857
24	State Bank of Darfur	2,381
25	Farmers State Bank, Huntley	792
	MISSOURI	
1	Salisbury Mercantile Bank	11,796
2	Lamar Trust Co.	11,101
3	Carroll County Trust Co., Carrollton	10,989
4	First State Bank of King City	9,598
5	Farmers & Traders Bank of California	7,423
6	Laddonia State Bank	6,320
7	Farmers & Merchants Bank, Elmo	5,697
8	Citizens Bank, Pilot Grove	5,382
9	Martinsburg Bank	5,275
10	Citizens Bank, Norborne	5,043
11	Peoples Bank, Wyaconda	4,318
12	Citizens Bank, Shelbyville	4,309
13	Home Exchange Bank, Jamesport	4,216
14	First State Bank of Forest City	3,793
15	First Security Bank, Union Star	3,297
16	Bank of New Cambria	3,258
17	Farmers Bank Grant City/Sheridan, Grant City	3,194
18	Albany State Bank	2,335
19	Farmers Stock Bank, Blackwater	2,306
20	Bank of Downing	1,722
21	Zook & Roecker State Bank, Oregon	1,634
22	Bank of Coffey	1,204
23	Farmers Bank, Blairstown	972
24	Bank of Meadville	854
25	Clarence State Bank	648
	NEBRASKA	
1	American National Bank, Creighton	11,727
2	Bruning State Bank	11,495
3	Northwestern State Bank, Hay Springs	10,856
4	Genoa National Bank	10,760
5	Farmers National Bank in Pilger	7,815
6	First National Bank of Hayes Center	7,263
7	Wakefield National Bank	6,942
8	Howells Bank	6,832
9	Bank of Bertrand	6,754
10	Farmers State Bank, Maywood	6,335
11	Center State Bank	6,072
12	First National Bank of Belden	5,938
13	Arnold State Bank	5,699
14	Bank of Lindsay	5,067
15	Henderson State Bank	4,262
16	De Witt State Bank	4,144
17	Commercial State Bank, Republican City	3,932
18	Grafton State Bank	3,578
19	Petersburg State Bank	3,116
20	Citizens Bank, Bancroft	2,274
21	Hardy State Bank	2,053
22	Security State Bank, Allen	1,961
23	State Bank of Colon	1,802
24	Security State Bank, Ansley	776
25	State Bank of Liberty	760

Top 25 Agricultural Banks in Leading Farm States

Banks with 25% or More of Their Loans in Agriculture

Listed Geographically by Order of Size within States

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

Rank 3/86		Agricultural Loans 3/31/86
	NORTH DAKOTA	
1	Farmers State Bank, Carrington	10,795
2	First State Bank of Munich	9,593
3	Security Bank of Hebron	9,102
4	Peoples Bank & Trust Co., Parshall	8,035
5	Farmers & Merchants State, Tolna	7,456
6	Bank of Steele	7,057
7	First State Bank, Regent	6,842
8	Citizens State Bank of Finley	6,781
9	Central Dakota Bank, Lehr	6,677
10	Farmers State Bank, Maddock	6,672
11	Security State Bank, Robinson	5,601
12	First State Bank of Goodrich	5,516
13	First State Bank of Sharon	5,254
14	Security State Bank of Hunter	5,209
15	Security State Bank of New Salem	5,202
16	First State Bank of Gackle	5,171
17	First National Bank of McClusky	4,730
18	Bank of Glen Ullin	4,387
19	Bank of Minto	4,102
20	Citizens State Bank, Petersburg	3,281
21	Lincoln State Bank, Hankinson	3,007
22	McVille State Branch	2,526
23	State Bank of Streeter	2,426
24	Security National Bank of Edgeley	2,084
25	Kulm State Bank	975
	OKLAHOMA	
1	Anadarko Bank & Trust Co.	27,953
2	Security State Bank, Cheyenne	23,423
3	Central National Bank of Alva	21,257
4	Alva State Bank & Trust Co.	17,163
5	Grant County Bank, Medford	14,209
6	First National Bank of Texhoma	9,915
7	First National Bank in Okeene	9,574
8	Washita Valley Bank, Fort Cobb	8,656
9	First Bank of Okarche	7,496
10	Bank of the Wichitas, Snyder	7,221
11	First National Bank of Laverne	7,046
12	State Exchange Bank, Lamont	6,843
13	Bank of Thomas	6,709
14	First National Bank of Geary	5,871
15	First State Bank, Keyes	5,865
16	Citizens Bank, Wakita	5,228
17	First State Bank, Boise City	4,841
18	Southwest State Bank, Sentinel	4,830
19	First State Bank in Temple	4,132
20	Custer County State Bank, Arapaho	4,023
21	First State Bank, Goltry	3,202
22	First National Bank of Calumet	2,687
23	Hopeton State Bank	1,513
24	First National Bank of Nash	1,471
25	Bank of Garber	531
	SOUTH DAKOTA	
1	Campbell County Bank, Herreid	12,350
2	Farmers State Bank, Dupree	10,137
3	American State Bank, Wessington Springs	10,111
4	Security State Bank, Tyndall	9,726
5	First Fidelity Bank, Colome	8,631
6	Wilmot State Bank	7,827
7	Sanborn County Bank, Woonsocket	7,737
8	First State Bank, Roscoe	6,851
9	First State Bank, Claremont	6,804
10	Security State Bank, Doland	6,568
11	Farmers State Bank, Turton	5,464
12	Dakota State Bank, Blunt	4,492
13	First National Bank of Eden	4,436
14	State Bank of Waubay	4,424
15	Merchants State Bank, Freeman	4,397
16	Leola State Bank	4,335
17	Peoples State Bank, Summit	3,968
18	Fulton State Bank	3,544
19	Langford State Bank	3,391
20	First National Bank of Frederick	3,347
221	Farmers State Bank, Hosmer	2,795
22	Farmers State Bank, Kaylor	2,449
23	First State Bank, Sinai	2,203
24	Mansfield State Bank	2,186
25	Farmers State Bank, Carthage	1,908
	TEXAS	
1	LaMesa National Bank	37,957
2	First National Bank of Hereford	36,930
3	First National Bank of Tulia	34,434
4	First State Bank, Dimmitt	17,532
5	First State Bank, Spearman	17,249
6	Mason National Bank	17,219
7	First State Bank of Stratford	16,630
8	Gruver State Bank, Gruver	12,234
9	First National Bank of Quitaque	10,417
10	First National Bank of Rotan	9,452
11	First State Bank, Abernathy	9,115
12	New Ulm State Bank	9,026
13	First State Bank, Silverton	8,503
14	First National Bank of Byers	6,674
15	Farmers State Bank, Hart	6,070
16	First State Bank, Vega	6,019
17	State National Bank of Groom	5,050
18	First State Bank, Happy	4,535
19	First National Bank of Seymour	4,089
20	First National Bank of Hale Center	4,070
21	First State Bank, Paint Rock	3,788
22	First National Bank of Odonnell	3,733
23	Security State Bank, Farwell	2,066
24	First National Bank of Amherst	1,099
25	Security Bank - Garland NA	979
	WISCONSIN	
1	State National Bank of Platteville	17,983
2	Citizens National Bank of Darlington	15,951
3	Lancaster State Bank	15,123
4	Farmers & Merchants State Bank, Stanley	14,772
5	Security National Bank of Durand	14,398
6	Citizens State Bank, Loyal	12,585
7	Bank of Athens	11,669
8	Bank of Clear Lake	9,162
9	Bank of Birnamwood	8,781
10	First National Bank in Viroqua	7,316
11	Farmers & Merchants Bank, Greenwood	7,227
12	Pigeon Falls State Bank	6,675
13	Valders State Bank	6,510
14	Bank of Galesville	5,059
15	Bank of South Wayne	4,260
16	Gratiot State Bank	4,147
17	State Bank of Withee	3,958
18	State Bank of Wonewoc	3,928
19	Citizens State Bank, Montfort	3,927
20	Bank of Juda	3,738
21	Waumandee State Bank	3,627
22	Farmers & Merchants Bank, Rudolph	3,413
23	Cambria State Bank, Cambria	2,922
24	Woodhouse & Bartley Bank, Bloomington	2,865
25	Bloomington State Bank	1,826

Top 100 Banks in Agricultural Loan Losses

Bad Farm Loan Ratio, Total Bad Loans, Agricultural Loans, and Total Domestic Loans
March 31, 1986 Compared with March 31, 1985

(Dollar Amounts in Thousands)

Compiled by American Banker Copyright 1986

		Bad Farm Loan Ratio 3/31/86	Bad Farm Loans 3/31/86	Agricultural Loans			Total Domestic Loans		
				3/31/86	3/31/85	% Chg.	3/31/86	3/31/85	% Chg.
1	State Bank of Waubay, S.D.	37.05	2,154	4,424	5,342	-17.18	5,814	6,919	-15.97
2	Farmers State Bank, Delavan, Minn.	29.12	1,163	2,995	3,611	-17.06	3,994	4,824	-17.21
3	Chokio State Bank, Minn.	25.77	2,624	8,590	10,827	-20.66	10,181	12,734	-20.05
4	Farmers State Bank, Clarissa, Minn.	25.16	3,417	9,614	10,502	-8.46	13,582	14,886	-8.76
5	Wakefield National Bank, Neb.	23.80	1,956	6,942	8,106	-14.36	8,219	10,195	-19.38
6	State National Bank of Platteville, Wis.	22.40	7,010	17,983	18,010	-0.15	31,301	34,704	-9.81
7	Citizens State Bank & Trust Co., Hiawatha, Kan.	20.52	6,525	25,427	27,563	-7.75	31,794	36,628	-13.20
8	Hoxie State Bank, Kan.	18.98	4,928	21,971	23,378	-6.02	25,958	28,227	-8.04
9	Albany State Bank, Mo.	18.34	630	2,335	2,787	-16.22	3,435	3,925	-12.48
10	Farmers State Bank, Maddock, N.D.	18.33	1,545	6,672	7,499	-11.03	8,430	9,402	-10.34
11	First State Bank, Lake Lillian, Minn.	18.05	1,572	6,447	7,322	-11.95	8,709	9,606	-9.34
12	Farmers State Bank, Maywood, Neb.	16.28	1,163	6,335	7,349	-13.80	7,144	8,160	-12.45
13	First National Bank of Tama Cty., Dysart, Iowa	16.28	842	3,960	5,757	-31.21	5,173	7,060	-26.73
14	First State Bank of Forest City, Mo.	15.66	863	3,793	4,499	-15.69	5,511	6,692	-17.65
15	First State Bank of King City, Mo.	14.53	1,612	9,598	10,121	-5.17	11,097	12,490	-11.15
16	First Security Bankunion, Star, Mo.	13.09	553	3,297	4,710	-30.00	4,224	6,213	-32.01
17	First National Bank of Hope, Kan.	12.95	1,708	10,962	10,820	1.31	13,186	13,557	-2.74
18	Anadarko Bank & Trust Co., Okla.	12.32	5,385	27,953	40,796	-31.48	43,707	60,511	-27.77
19	Bloomington State Bank, Wis.	12.28	398	1,826	3,273	-44.21	3,241	5,147	-37.03
20	Newcentury Bank-Thumb, Bad Axe, Mich.	11.96	6,878	22,526	24,012	-6.19	57,505	62,838	-8.49
21	Farmers State Bank, Hart, Tex.	11.59	1,066	6,070	5,917	2.59	9,199	8,830	4.18
22	State Bank of Withee, Wis.	11.11	793	3,958	5,603	-29.36	7,140	9,871	-27.67
23	State Bank of Kenneth, Minn.	10.83	564	4,034	4,584	-12.00	5,207	5,847	-10.95
24	Peoples State Bank, McDonald, Kan.	10.76	404	3,042	3,955	-23.08	3,753	5,110	-26.56
25	Leola State Bank, S.D.	10.56	539	4,335	5,153	-15.87	5,105	6,496	-21.41
26	First National Bank of Rotan, Tex.	10.51	1,301	9,452	8,682	8.87	12,382	12,247	1.10
27	Farmers State Bank, Hosmer, S.D.	10.45	370	2,795	2,735	2.19	3,542	3,504	1.08
28	First Fidelity Bank, Colome, S.D.	10.43	1,015	8,631	9,695	-10.97	9,735	10,576	-7.95
29	Citizens Bank Shelbyville, Mo.	9.97	622	4,309	4,987	-13.60	6,237	6,851	-8.96
30	Citizens State Bank, Montfort, Wis.	9.59	705	3,927	4,658	-15.69	7,350	8,522	-13.75
31	Colorado State Bank, Walsh, Colo.	9.31	932	7,541	6,674	12.99	10,015	9,164	9.29
32	Citizens State Bank of Finley, N.D.	9.31	898	6,781	6,557	3.42	9,641	10,037	-3.95
33	Citizens State Bank, Walnut Grove, Minn.	9.26	593	4,817	5,378	-10.43	6,402	7,520	-14.87
34	First National Bank of Eden, S.D.	9.26	512	4,436	4,793	-7.45	5,528	6,214	-11.04
35	Golden State Bank, Ill.	9.16	281	2,122	2,623	-19.10	3,069	3,703	-17.12
36	Henderson State Bank, Neb.	9.11	430	4,262	5,557	-23.30	4,719	6,338	-25.54
37	Cheyenne County State Bank, St. Francis, Kan.	8.97	1,351	13,139	14,103	-6.84	15,061	16,157	-6.78
38	Security State Bank, Robinson, N.D.	8.97	649	5,601	6,328	-11.49	7,234	8,181	-11.58
39	Camp Grove State Bank, Ill.	8.70	1,043	9,212	10,305	-10.61	11,986	13,702	-12.52
40	Farmers State Bank of Yuma, Colo.	8.52	2,633	17,341	18,244	-4.95	30,900	32,845	-5.92
41	First National Bank of Belde, Neb.	8.44	554	5,938	6,685	-11.17	6,564	7,153	-8.23
42	First National Bank of Geary, Okla.	8.29	733	5,871	5,758	1.96	8,838	7,790	13.45
43	State Bank of Lima, Ill.	8.09	471	3,705	3,883	-4.58	5,823	6,279	-7.26
44	Bank of Downing, Mo.	8.03	200	1,722	1,899	-9.32	2,490	2,839	-12.29
45	First State Bank, Ransom, Kan.	7.40	602	7,028	7,056	-0.40	8,130	8,363	-2.79
46	Ruth State Bank, Mich.	7.29	612	4,853	5,855	-17.11	8,399	9,367	-10.33
47	Farmers & Merchants Bank, Elmo, Mo.	7.14	544	5,697	7,388	-22.89	7,623	9,748	-21.80
48	First National Bank of Otis, Colo.	7.13	630	6,174	6,381	-3.24	8,831	9,763	-9.55
49	Security State Bank of Hunter, N.D.	7.06	520	5,209	4,563	14.16	7,370	6,683	10.28
50	Carroll County Trust Co., Carrollton, Mo.	6.89	1,095	10,989	11,553	-4.88	15,897	16,788	-5.31
51	Citizens State Bank, Petersburg, N.D.	6.60	265	3,281	3,450	-4.90	4,017	4,122	-2.55
52	Kit Carson State Bank, Colo.	6.34	428	4,711	4,224	11.53	6,753	6,416	5.25
53	Farmers State Bank, Carrington, N.D.	6.10	850	10,795	9,742	10.81	13,931	12,918	7.84
54	Custer County State Bank, Arapaho, Okla.	6.10	359	4,023	3,090	30.19	5,890	6,452	-8.71
55	First State Bank of Goodrich, N.D.	6.04	391	5,516	4,987	10.61	6,477	6,322	2.45
56	State Bank of Conger, Minn.	5.94	208	3,123	3,640	-14.20	3,499	4,137	-15.42
57	First National Bank in Okeene, Okla.	5.93	748	9,574	11,227	-14.72	12,615	15,088	-16.39
58	Lancaster State Bank, Wis.	5.84	1,693	15,123	19,001	-20.41	28,990	33,708	-14.00
59	Fulton State Bank, S.D.	5.72	251	3,544	4,056	-12.62	4,388	5,057	-13.23
60	Aredale State Bank, Iowa	5.68	245	3,489	3,068	13.72	4,316	3,824	12.87
61	First State Bank of Gackle, N.D.	5.55	380	5,171	6,106	-15.31	6,842	8,024	-14.73
62	First National Bank of Stratton, Colo.	5.53	709	9,275	9,335	-0.64	12,815	13,401	-4.37
63	Paloma Exchange Bank, Ill.	5.52	309	3,762	4,213	-10.70	5,595	6,821	-17.97
64	State Exchange Bank, Lamont, Okla.	5.50	555	6,843	6,428	6.46	10,084	10,133	-0.48
65	State Bank of Darfur, Minn.	5.49	178	2,381	3,438	-30.74	3,241	4,506	-28.07
66	Citizens Bank Norborne, Mo.	5.48	381	5,043	5,109	-1.29	6,955	7,325	-5.05
67	Farmers Stock Bank, Blackwater, Mo.	5.44	160	2,306	2,484	-7.17	2,940	3,286	-10.53
68	Chemical Bank, Cass City, Mich.	5.41	631	2,977	3,568	-16.56	11,664	11,653	0.09
69	Northwestern State Bank, Hay Springs, Neb.	5.27	687	10,856	10,849	0.06	13,038	12,984	0.42
70	Salisbury Mercantile Bank, Mo.	5.26	973	11,796	14,794	-20.26	18,500	21,401	-13.56
71	Farmers Savings Bank, Shelby, Iowa	5.25	455	6,983	9,373	-25.50	8,669	11,284	-23.17
72	Adrian State Bank, Minn.	5.23	521	7,229	8,915	-18.91	9,956	12,177	-18.24
73	Gibson Savings Bank, Iowa	5.23	408	5,982	7,273	-17.75	7,805	9,381	-16.80
74	Hartwick State Bank, Iowa	5.18	226	3,590	4,027	-10.85	4,366	4,991	-12.52
75	Farmers State Bank, Dupree, S.D.	5.15	596	10,137	8,905	13.83	11,565	10,753	7.55
76	Milledgeville State Bank, Ill.	5.08	660	9,454	11,251	-15.97	12,980	14,942	-13.13
77	First National Bank of Calumet, Okla.	5.06	206	2,687	3,653	-26.44	4,069	5,563	-26.86
78	Bank of Coffey, Mo.	4.96	89	1,204	1,425	-15.51	1,795	2,135	-15.93
79	Security State Bank, Bird City, Kan.	4.94	330	5,330	5,369	-0.73	6,682	6,638	0.66
80	State Bank of Wonewoc, Wis.	4.88	332	3,928	4,183	-6.10	6,810	7,177	-5.11
81	State Bank of Easton, Minn.	4.87	299	4,776	5,245	-8.94	6,145	6,410	-4.13
82	State Bank of Wendell, Minn.	4.85	341	5,028	4,576	9.88	7,034	6,785	3.67
83	Genoa National Bank, Neb.	4.78	618	10,760	10,478	2.69	12,927	12,605	2.55
84	Citizens National Bank of Akron, Colo.	4.71	809	12,096	14,050	-13.91	17,165	20,925	-17.97
85	Bank of Steele, N.D.	4.68	439	7,057	8,345	-15.43	9,388	10,904	-13.90
86	First State Bank, Silverton, Tex.	4.60	537	8,503	8,390	1.35	11,670	11,258	3.66
87	First National Bank in Viroqua, Wis.	4.51	624	7,316	8,011	-8.68	13,823	13,340	3.62
88	Washita Valley Bank, Fort Cobb, Okla.	4.47	563	8,656	7,279	18.92	12,591	12,789	-1.55
89	Farmers & Merchants Bank, Greenwood, Wis.	4.41	643	7,227	7,568	-4.51	14,568	14,750	-1.23
90	Home State Bank, Royal, Iowa	4.37	329	6,064	6,030	0.56	7,523	7,408	1.55
91	First State Bank, Roscoe, S.D.	4.31	321	6,851	6,139	11.60	7,450	6,710	11.03
92	First National Bank of Julesburg, Colo.	4.27	449	6,232	6,271	-0.62	10,512	10,414	0.94
93	Akron State Bank, Mich.	4.25	466	5,331	4,479	19.02	10,952	11,391	-3.85
94	State Bank of Jeffers, Minn.	4.21	230	3,961	4,393	-9.83	5,460	5,682	-3.91
95	First National Bank of Spearville, Kan.	4.04	237	4,823	4,323	11.57	5,864	5,558	5.51
96	Howells Bank, Neb.	3.99	320	6,832	6,578	3.86	8,022	7,969	0.67
97	Grafton State Bank, Neb.	3.95	161	3,578	2,436	46.88	4,072	3,854	5.66
98	Bank of Burlingtonal, Colo.	3.94	426	7,703	7,432	3.65	10,818	10,470	3.32
99	First State Bank of Sharon, N.D.	3.88	254	5,254	5,264	-0.19	6,550	6,190	5.82
100	Peoples State Bank, Summit, S.D.	3.88	182	3,968	4,103	-3.29	4,696	4,859	-3.35
	TOTALS FOR THE 100 BANKS IN FARM LOAN LOSSES	9.80	98,060	698,770	762,409	-8.35	1,000,852	1,104,096	-9.35

Banks were drawn from the universe of banks with 25% or more of their loans in agriculture in the 13 leading farm states. The states and the 315 banks in this universe are listed on pages 18 and 20. **Data Source:** All data were taken from the federal regulatory report of condition for all insured commercial banks and provided by **ADP's Data Services Division, New York.** ADP adjusts 1985 data for mergers ocurring in 1986. **Bad Loan Ratio** is calculated by dividing bad farm loans by total domestic loans.

Bad farm loans are domestic farm loans to finance agricultural production that are past due 90 days or more and still accruing; plus nonaccruing loans; plus renegotiated, or "troubled" debt. **Agricultural Loans** are the sum of loans secured by farmland plus loans to finance agricultural production and other loans to farmers. **Total Domestic Loans** are total loans and leases net of unearned income that are booked in a bank's domestic offices only.

Summary of Survey Findings

Top 100 Banks in Agricultural Lending

Based on Total Domestic Agricultural Loans Outstanding at all Insured U.S. Banks

Largest Gainers in Farm Loans

(Dollar Amounts in Thousands)

		Farm Loans 3/31/86	Farm Loans 3/31/85	Percent Increase	Ag. Lend. Rank
1	United Bank of Denver NA	122,818	29,460	315.20	19
2	First National Bank of Great Falls, Mont.	48,326	17,193	181.08	46
3	InterFirst Bank Dallas NA	88,685	35,130	152.45	22
4	Lloyds Bank California, Los Angeles	138,073	86,787	59.09	15
5	Comerica Bank - Detroit	32,100	20,710	55.00	85
6	Citizens Fidelity Bank & Trust Co., Louisville, Ky.	123,810	82,443	50.18	18
7	United Bank of Arizona, Phoenix	31,052	20,897	48.60	90
8	MBank Dallas NA	39,441	28,062	40.55	64
9	Peoples National Bank of Washington, Seattle	132,697	96,708	37.21	16
10	Southeast Bank NA, Miami	36,908	27,005	36.67	71

Largest Losers in Farm Loans

(Dollar Amounts in Thousands)

		Farm Loans 3/31/86	Farm Loans 3/31/85	Percent Decrease	Ag. Lend. Rank
1	First Security Nat'l B&T Co., Lexington, Ky.	44,941	116,119	-61.30	52
2	Citibank NA, New York	76,000	158,000	-51.90	29
3	Crocker National Bank, San Francisco	235,638	377,613	-37.60	6
4	Norwest Bank Nebraska NA, Omaha	96,646	151,099	-36.04	21
5	FirsTier Bank NA, Lincoln, Neb.	38,728	60,267	-35.74	66
6	First Bank South Dakota NA, Sioux Falls	166,142	242,507	-31.49	11
7	Continental Illinois Nat'l B&T Co, Chicago	42,412	60,113	-29.45	56
8	Commonwealth National Bank, Harrisburg, Pa.	31,925	44,177	-27.73	86
9	Norwest Bank South Dakota NA, Sioux Falls	171,351	234,271	-26.86	10
10	First National Bank & Trust Co., Oklahoma City	126,597	172,777	-26.73	17

Largest Gainers in Farm Interest Income

(Dollar Amounts in Thousands)

		Farm Inc. 3/31/86	Farm Inc. 3/31/85	Percent Increase	Ag. Lend. Rank
1	McAllen State Bank, Tex.	426	52	719.23	80
2	Adams Bank & Trust Co., Ogallala, Neb.	1,698	508	234.25	55
3	Trustmark National Bank, Jackson, Miss.	486	152	219.74	92
4	United Bank of Arizona, Phoenix	926	364	154.40	90
5	InterFirst Bank Dallas NA	1,102	450	144.89	22
6	Sunwest Bank of Clovis NA, N.M.	1,619	780	107.56	89
7	Dominion Bk Shen. Valley NA, Bridgewater, Va.	2,102	1,250	68.16	33
8	Citizens Fidelity Bank & Trust Co., Louisville, Ky.	3,158	2,080	51.83	18
9	MBank Dallas NA	245	163	50.31	64
10	Comerica Bank - Detroit	696	464	50.00	85

Largest Losers in Farm Interest Income

(Dollar Amounts in Thousands)

		Farm Inc. 3/31/86	Farm Inc. 3/31/85	Percent Decrease	Ag. Lend Rank
1	First Security Nat'l Bk&Tr Co., Lexington, Ky.	46	3,097	-98.51	52
2	American Bank & Trust Co., Reading, Pa.	1,357	4,455	-69.54	34
3	Newcentury Bank-Frankenmuth, Mich.	564	1,294	-56.41	72
4	Norwest Bank Nebraska NA, Omaha	2,027	4,326	-53.14	21
5	First National Bank & Trust Co., Oklahoma City	2,720	5,524	-50.76	17
6	Crocker National Bank, San Francisco	4,674	9,365	-50.09	6
7	Lloyds Bank California, Los Angeles	1,098	2,198	-50.05	15
8	CitiBank NA, New York	2,000	4,000	-50.00	29
9	First Bank South Dakota NA, Sioux Falls	3,789	7,497	-49.46	11
10	Sovran Bank NA, Richmond, Va.	619	1,218	-49.18	48

Largest Bad Farm Loan Ratios

(Dollar Amounts in Thousands)

		Bad Farm Loans 3/31/86	Total Loans Outstand. 3/31/86	Bad Farm Ratio	Ag. Lend. Rank
1	First Bank & Trust Co. of Idaho, Malad City	17,452	44,691	39.05	88
2	Gering National Bank & Trust Co., Neb.	8,825	56,331	15.67	91
3	Farmers National Bank, Webster City, Iowa	7,260	51,519	14.09	83
4	Ida County State Bank, Ida Grove, Iowa	3,651	42,567	8.58	94
5	Newcentury Bank-Frankenmuth, Mich.	14,595	178,078	8.20	72
6	Bankwest NA, Pierre, S.D.	6,229	89,604	6.95	47
7	Guardian State Bank & Trust Co., Alliance, Neb.	3,765	62,527	6.02	50
8	First Bank South Dakota NA, Sioux Falls	47,751	808,199	5.91	11
9	Valley Bank Idaho Falls, Idaho	8,412	178,352	4.72	32
10	First National Bank of Holdrege, Neb.	3,434	75,744	4.53	38

Most Bad Farm Loans Outstanding

(Dollar Amounts in Thousands)

		Bad Farm Loans 3/31/86	Bad Farm Loans 3/31/85	Percent Change	Ag. Lend. Rank
1	Wells Fargo Bank NA, San Francisco	144,476	58,655	146.31	2
2	Security Pacific National Bank, Los Angeles	137,396	113,457	21.10	3
3	Crocker National Bank, San Francisco	85,113	92,849	-8.33	6
4	First Bank South Dakota NA, Sioux Falls	47,751	27,692	72.44	11
5	Norwest Bank Nebraska NA, Omaha	26,311	3,884	577.42	21
6	Valley National Bank of Arizona, Phoenix	25,530	26,448	-3.47	4
7	First Interstate Bank of California, Los Angeles	23,890	20,491	16.59	12
8	Colorado National Bank of Denver	22,017	27,325	-19.43	37
9	United States National Bank, Portland	21,058	6,129	243.58	9
10	Seattle-First National Bank	19,913	11,402	74.64	8

Top 100 Agricultural Banks

For Insured U.S. Banks with 25% or More of Their Loans in Agriculture

10 Largest Gainers in Farm Loans

(Dollar Amounts in Thousands)

		Farm Loans 3/31/86	Total Loans 3/31/85	Percent Increase	Ag. Lend. Rank
1	First National Bank of Odonnello, Tex.	3,733	1,427	161.60	97
2	Grafton State Bank, Neb.	3,578	2,436	46.88	99
3	West Chester Savings Bank, Iowa	4,452	3,085	44.31	84
4	First State Bank, Happy, Tex.	4,535	3,386	33.93	83
5	Deuel County State Bank, Chappell, Neb.	4,256	3,196	33.17	90
6	Anchor Bank, Merriman, Neb.	4,893	3,848	27.16	74
7	Bank of Mullen, Neb.	8,613	6,797	26.72	30
8	First National Bank of Fonda, Iowa	4,957	3,956	25.30	73
9	Haxtun Community Bank, Colo.	7,167	5,744	24.77	40
10	First State Bank Abemathy, Tex.	9,115	7,377	23.56	28

Largest Losers in Farm Loans

(Dollar Amounts in Thousands)

		Farm Loans 3/31/86	Total Loans 3/31/85	Percent Decrease	Ag. Lend. Rank
1	Commercial Bank, Bassett, Neb.	4,859	7,183	-32.35	75
2	First Trust & Savings Bank, Moville, Iowa	4,682	6,768	-30.82	81
3	First National Bank of Utica, Neb.	4,787	6,621	-27.70	78
4	Commercial State Bank, Long Island, Kan.	3,953	5,375	-26.46	94
5	Farmers Savings Bank, Shelby, Iowa	6,983	9,373	-25.50	42
6	Henderson State Bank, Neb.	4,262	5,557	-23.30	89
7	First National Bank of Bayard, Neb.	6,547	8,296	-21.08	53
8	Chokio State Bank, Minn.	8,590	10,827	-20.66	31
9	First National Bank of Newman Grove, Neb.	5,841	7,274	-19.70	62
10	Farmers State Bank, Hawarden, Iowa	10,636	13,242	-19.68	22